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GDR-USSR Joint Maneuvers Continue in Potsdam

LD1605171289 East Berlin ADN International Service in German 1450 GMT 16 May 89

[Text] Potsdam (ADN)—The joint troop maneuvers by the Group of Soviet Forces in Germany [GSFG] and the National People's Army [NVA] of the GDR continued today. Motorized infantry, tank troops, and artillery troops dug into their positions and prepared for defensive action. Under the leadership of Major General Stanislav Rumyantzev, commanding officer of an army of the GSFG, up to 20,100 members of both fraternal armies are taking part in the maneuvers. There are 314 tanks, 311 artillery pieces, 393 launchers for anti-tank guided missiles, and 51 helicopters in use. This is 500 soldiers and 94 tanks fewer than were announced by the GDR Government.

In accordance with the documents of the Stockholm conference in Europe, 40 observers from 20 CSCE signatory states are taking part in this exercise. They come from Belgium, Bulgaria, the FRG, the CSSR, Denmark, Finland, France, Great Britain, Italy, Yugoslavia, Canada, Netherlands, and the United States. On behalf of the GDR Government and National Defense Minister Army General Heinz Kessler, the generals, officers, and diplomats were greeted in Potsdam by Major General Rudolf Magnitzke, deputy leader of the NVA main staff. The GDR has been consistently working to ensure that there is greater trust, security, and predictability in the military field, he said. Together with its alliance partners, the GDR hopes that, in the framework of the Vienna negotiations, important agreements will be reached without delay, in particular relating to the reduction of armed forces and arms in Europe. The beginning of the disbanding of NVA tank regiments and the withdrawal of GSFG troops from GDR territory underline the seriousness and credibility of all our proposals, and prove that our words and deeds are in harmony. The GDR takes the view that verbal assurances today are no longer sufficient, and that there is a need for concrete action to achieve further detente, greater security, and disarmament, Major General Magnitzke stressed.

The foreign military personnel and diplomats were subsequently informed of the maneuvers and also the observation program. With the help of a map they were told of the additional possibility of having a close view of the exercise area of the staffs and troops from a helicopter.

Warsaw Pact Conference for Political Staff Opens

LD1705230989 Budapest MTI in English 1754 GMT 17 May 89

[TEXT] Budapest, May 17 (MTI)—A three-day conference opened on Wednesday in Budapest with leading political staff-members of the armies of the Warsaw Treaty member states in attendance.

The delegations participating in the conference in Hungary are led by the chiefs of political divisions of the armies of their deputies.

In the morning, the delegations laid wreaths at the memorial to Hungarian heroes in Heroes' Square, Budapest. In the afternoon, Brigadier-General Lajos Krasznai, chief of Political Divison and deputy minister of defence, gave the opening lecture of the conference in the Cultural House of the Hungarian People's Army.

The brigadier-general said that the international events, the rapid changes in the internal situation of the socialist countries and the tasks of their armies, have heightened the importance of well-founded information and of discussions between the leading political workers. He noted that, as a result of the joint efforts of the Warswaw Treaty member states, international security has strengthened, and there is hope that political detente will also extend to the military field. There have been several indications of this in the recent past.

The determining element of this process is the new security policy concept of the Warsaw Treaty member states, which starts from the universal nature of peace, and the reciprocality of security, and wishes to uphold sufficient and necessary armed forces in defence of these.

Brigadier-General Hkrasznai noted that we living in an age of renewing socialism, in which all countries are taking their own characteristic road. In this context, he spoke in detail about the results of the accelerated Hungarian political and economic reforms, and informed the conferance participants about the state and plans of the renewing political work in the Hungarian People's Army.

131st Session of CEMA Executive Committee Begins

Obzina Heads Czech Delegation

AU1705143789 Prague RUDE PRAVO in Czech 16 May 89 p 7

[Unattributed report in the "24 Hours Abroad" column]

[Text] A Czechoslovak delegation, led by Jaromir Obzina, CSSR deputy premier and Czechoslovakia's permanent CEMA representative, arrived in Moscow by air on Monday [15 May] to attend the 131st session of the CEMA Executive Committee.

Czech Spokesman News Briefing

LD1605161689 Prague CTK in English 1410 GMT 16 May 89

[Text] Moscow May 16 (CTK correspondent)—Increasing role of direct contacts between enterprises and associations of the Council for Mutual Economic Assistance

(CMEA) member states together with deepening specialization and cooperation in production is one of the tasks of CMEA cooperation to be discussed at the 131st session of its Executive Committee which opened here today.

This was stated at a news conference at the CMEA headquarters here today by head of the CMEA Secretariat Information Department Bronislav Sova.

The most significant condition for deepening and improving direct contacts is to ensure interlink between the member states' national economic mechanisms, he said.

First of all it is necesary to create conditions for transition of international economic and scientific-technological associations to self-accounting and self-financing and extend the scope for their activity. It is also necessary to extend the rights of the participants in the direct contacts linked to the exchange of goods and services on a mutual contractual basis, and to develop practical use of national currencies in mutual accounting.

The CMEA Executive Committee will also analyze problems linked to intensification of the social orientation of the CMEA countries' economic and scientific-technological cooperation, Bronislav Sova stressed. In this context he pointed out the continuing deficit in basic consumer goods on home markets of many CMEA countries as well as insufficient development of the material-technical basis of the health care, education and housing construction.

Ways to overcome these problems must be sought both in the framework of each country's economic and social policy and with maximum use of the possibilities offered by the international division of labour and bilateral as well as multilateral cooperation, the CMEA spokesman said.

Obzina Meets with Belousov

LD1605084689 Prague Domestic Service in Czech
0700 GMT 16 May 89

[Text] In the Soviet Union, Czechoslovak Deputy Premier Jaromir Obzina met Igor Belousov, deputy chairman of the USSR Council of Ministers, in Moscow yesterday. Both representatives discussed various ideas designed to intensify Czechoslovak-Soviet cooperation in the field of consumer electronics and other questions concerning mutual economic relations in the period ahead. Jaromir Obzina is in Moscow attending the 131st session of the CEMA Executive Committee.

Sekula Leads Polish Delegation

LD1605223889 Warsaw Domestic Service in Polish
1800 GMT 16 May 89

[Text] The CEMA Executive Committee is holding a meeting in Moscow. Deputy Premier Ireneusz Sekula is heading the Polish delegation to the talks.

The main aim of the deliberations is to discuss the implementation of the new principles of economic cooperation among the socialist countries, based on normal economic rules. The fact that for the first time journalists were allowed into the meeting hall is worth pointing out.

SFRY-CEMA Trade Imbalance Noted

LD1605211489 Belgrade TANJUG in English
1748 GMT 16 May 89

[Text] Moscow, May 16 (TANJUG)—Member of the Yugoslav Government Branislav Pajkovic, who heads the Yugoslav delegation at the session of the Council for Mutual Economic Assistance (CMEA) Executive Committee in Moscow, warned that the imbalance would in the following period continue burdening the overall economic relations and cooperation between Yugoslavia and the CMEA member-countries if mutual measures are not taken to reduce the Yugoslav surplus in trade with a number of the group's member-countries.

Yugoslavia participates in the work of the Executive Committee in keeping with the agreement on cooperation and participation in certain CMEA programs.

Journalists of the CMEA member-countries attended the Executive Committee session for the first time in CMEA's 40 years. The beautiful CMEA building in Moscow was so far completely closed to the media and communication with the public was achieved through announcements and publications.

Pajkovic said that trade between Yugoslavia and the CMEA member-countries and their participation in Yugoslavia's foreign exchange have been decreasing over the past few years due to Yugoslavia's surplus.

He said that Yugoslavia had analyzed the report on CMEA's work between the two sessions with great attention and assessed that the until now results in relations between Yugoslavia and the CMEA member-countries were based on mutually beneficial cooperation, in which Yugoslavia takes part in many multi-lateral agreements on cooperation, specialization and scientific-technological cooperation.

Lukanov Meets Silayev, Discusses Cooperation

AU1705200389 Sofia BTA in English
1854 GMT 17 May 89

[Text] Moscow, May 17 (BTA)—Mr Ivan Silayev, deputy chairman of the Council of Ministers of the U.S.S.R. met yesterday with Mr Andrey Lukanov, alternate member of the Politburo of the CC [Central Committee] of the BCP [Bulgarian Communist Party] and minister of foreign economic relations of Bulgaria. During their meeting the two sides considered issues related to the organization of production of compact cars on the basis of bilateral cooperation.

Atanasov Receives Iraqi Agriculture Minister

AU1105130689 Sofia BTA in English
1235 GMT 11 May 89

[Text] Sofia, May 11 (BTA)—Mr Georgi Atanasov, chairman of the Council of Ministers, received today Mr 'Abdallah Badr Dannuk, minister of agriculture and irrigation, chairman of the Iraqi section of the Bulgaro-Iraqi Committee for Economic and Techno-Scientific Cooperation.

An assessment was made of the fulfilment of the agreements, reached at the time of the visit to this country of Mr Taha Yasin Ramadan, first deputy prime minister of Iraq, which was paid in the beginning of this year. Satisfaction was expressed at the intensive development of Bulgaro-Iraqi economic relations.

Culture Minister Yordanov Ends Egypt Visit

AU1705182089 Sofia BTA in English
1734 GMT 17 May 89

[Text] Cairo, May 17 (BTA)—The visit of Mr Georgi Yordanov, minister of culture, science and education to this country ended.

The Bulgarian minister exchanged opinions with Mr Faruq Husni, minister of culture for Egypt. After stressing the significance of the achievements in the sphere of cultural exchange, the two sides mapped up a programme for its further development in the sphere of music, theatre, archives and library activities, cinema, etc. The guest met with Mrs Susan Mubarak, who stressed the existng ample possibilities for busy exchange in the education of the young generation in the spirit of unity, creativity and beauty.

Mr Georgi Yordanov held talks with Mr Ahmad Fathi Surur, the Egypt minister of education. They considered the ideas related to the strengthening of relations in education, higher education and science.

The positive development of the all round bilateral relations and the common desire for their further deepening were stressed at the meeting with Mr Usamah al-Baz, first deputy foreign affairs minister, head of the political department to the Presidency.

Condolences Sent on Lebanese Mufti's Death

AU1705172589 Sofia BTA in English
1556 GMT 17 May 89

[Text] Sofia, May 17 (BTA)—In connection with the tragic demise of the grand mufti of the Lebanon Shaykh Hasan Khalid, Mr Lyubomir Popov, deputy minister of foreign affairs and chairman of the Committee for Affairs of the Bulgarian Orthodox Church and the Religious Denominations, has cabled condolences to Mr Husayn Musawi, ambassador of Lebanon to Bulgaria.

"We shall keep lasting memories of a noble and highly cultivated religious dignitary and public figure, a friend of Muslim Bulgarians and of the whole Bulgarian people who will be dearly missed by us all," says the cable.

Dr Nedyu Gendzhev, chief mufti of Muslims in Bulgaria, has also sent a cable of condolences to the Lebanese ambassador, saying that this is "a heavy loss not only for our co-religionists in Lebanon but also for the entire Lebanese people, for all Muslims and friends of lebanon around the world."

The cable recalls that Shaykh Hasan Khalid recently visited Bulgaria and met with senior Bulgarian Government officials, with Bulgarian Muslims and religious leaders. The chief mufti emphasizes that Shaykh Hasan Khalid will be remembered by Muslim Bulgarians as a deeply humane and expert clergyman of Islam.

Address From Orthodox Church Synod Published

AU1205185489 Sofia BTA in English
1704 GMT 12 May 89

[Text] Sofia, May 12 (BTA)—In its No 13 dated May 12, 1989, the "Church Gazette" carried an address to the clergy and to the laity, signed by Patriarch Maksim of Bulgaria and by all members of the Holy Synod. [sentence as received]

The address says that the relations between the state and the religious denominations in Bulgaria are based on the principles of mutual respect and propriety. The separation of the church from the state has opened up an opportunity for the Bulgarian Orthodox Church to organize on its own its internal and external ecclesiastical activities in compliance with the church canons and its statute. "As an institution, the church is separate from the state but it is not outside the state," the address says. All Orthodox Christians are therefore duty-bound to be worthy citizens in the creation of common moral values.

In the conditions of a constitutionally guaranteed freedom to profess religion, an opportunity is provided for the manifestation of religious feelings and persuasions unregulated by any kind of secular institutions. The state pays due attention to the patriotic deeds of the church, and four officials representing humanitarian state and public institutions participate on a democratic basis in the patriarchal election ecclesiastical and popular council along with more than one hundred members representing the eparchies and believers from all over the country. This principle of popular electivity has been enshrined in the 1953 Statute of the Bulgarian Orthodox Church.

The address contains a number of conclusions concerning the life of believers in the conditions of socialist society, as well as the organisational structure and activity of the church. "In the conditions of the new life built on the basis of social equality and free labour, believers regard each member of our society as their neighbour, co-worker and brother, irrespective of social status, occupation, religion and origin. In the spirit of the universally human and religious principles of fraternity, humanity and love of neighbours far and near, and guided by a sober-minded responsibility in building a common peaceful future, the Bulgarian Orthodox Church seeks to contribute to the flourishing of trust and understanding, to the implantation of the common moral values into life."

It is indicated that after the separation of the church from the state, a 1954 decree of the Council of Ministers granted the church an exclusive monopoly right to manufacture, price and market goods for the needs of worship, which among other things provides the upkeep of the church. It is noted that just as all citizens, ecclesiastics receive pensions paid by the state.

The address lays emphasis on the care which the state along with the church takes over the maintenance of churches, monasteries and movable cultural and historical property of religious nature.

"There is every reason to assert," the address reads, "that with the new way of thinking, in the spirit of the all-round restructuring in Bulgaria, the state-church relations are promoted and will be promoted ever more favourably."

The address recalls the unanimously adopted stand of the Holy Synod against the registration of the self-proclaimed "Independent Committee for Defence of Religious Rights, the Freedom of Conscience and Spiritual Values," which has usurped the right to be an "advocate" of the Bulgarian Orthodox Church.

In conclusion, the address calls on the clergy and on the laity to heed to the voice of the Bulgarian Orthodox Church and to make themselves party to the "nationwide aspirations for restructuring, comprehensive renewal and advancement of our dear motherland."

Tourism Cooperation Protocol Signed With Greece

AU1205135689 Sofia BTA in English
1310 GMT 12 May 89

["Bulgaria-Greece: Cooperation in Tourism"—BTA headline]

[Text] Sofia, May 12 (BTA)—Mr Stoyan Zhulev, chairman of the Bulgarian Association of Tourism and Recreation, and Mr Konstantinos Kiriadzis, chairman of the Greek National Organization of Tourism, signed a protocol on the 14th session of the Bulgaro-Greek Commission for Cooperation in the Sphere of Tourism.

Satisfaction was expressed with the development of tourist relations between the two peoples, an important factor for the acquaintance and friendship between Bulgarians and Greeks, who exchanged last year a total of more than 140 visits.

The basic trends for the further development of relations in tourism were mapped out in the protocol. Encouragement and diversification of tourist travels with new programmes and itineraries are planned. The two sides discussed the possibilities for mutual advertising activities in the markets of third countries and expansion of the exchange of experience between tourist organizations and companies. The document shows the readiness of the two countries' governments to encourage direct contacts and cooperation between Bulgarian and Greek tourist companies.

Mr Konstantinos Kiriadzis characterized the material and technical base and services of the tourist sites he visited in Bulgaria as very good. In a statement before a BTA representative he highly evaluated the development of balneological tourism and expressed the opinion that the balneological resort in the town of Sandanski in south-western Bulgaria is among the best in Europe.

Romanian President Continues Visit to Prague

Jakes Hosts Luncheon

LD1705161889 Prague Domestic Service in Czech 1500 GMT 17 May 89

[Text] Milos Jakes, general secretary of the Czechoslovak Communist Party Central Committee, at Prague Castle today gave a gala luncheon in honor of Nicolae Ceausescu, general secretary of the Romanian Communist Party and president. Also present were Comrades Gustav Husak, Ladislav Adamec, and other representatives of our political and public life.

In his speech, Comrade Milos Jakes said that our parties are now striving to perfect socialism. Czechoslovakia has set out on a path of economic and social restructuring, which has the support of the vast majority of the people. He described Czechoslovak-Romanian relations as favorable overall. The demanding requirements of the time and joint goals demand that we make even fuller use of all opportunities to develop cooperation in the political, economic, scientific-technical, and other areas. It is also necessary to more decisively carry out the jointly agreed measures, to more decisively implement more effective methods of joint action, and to overcome existing barriers.

Comrade Milos Jakes referred to the visit by Comrade Mikhail Gorbachev to China and expressed the conviction that it represents the full normalization of relations between the countries and will strengthen socialism, security, and peace in the world.

Nicolae Ceausescu, the highest-level Romanian representative, expressed thanks for the hospitable reception which he received in Prague. He recalled the course of today's talks and said that real possibilities exist to achieve even more intensive development of economic, scientific-technical, and cultural exchanges, as well as exchanges in other areas. He stated that Romania is ready to do everything to develop broad economic and other cooperation between European countries, is in favor of resolving conflicts between states by means of talks, and will always firmly strive to develop cooperation with all socialist countries.

Husak, Ceausescu Hold Talks

LD1705163189 Prague Domestic Service in Czech 1600 GMT 17 May 89

[Text] President Gustav Husak received in Prague Castle today Nicolae Ceausescu, general secretary of the Romanian Communist Party and president.

During friendly conversation, they expressed appreciation for the level of relations achieved and stressed their mutual interest in expanding them even further. At the same time they stressed the importance of exchanging experiences in building socialism and the usefulness of more intensively implementing effective forms of economic and scientific-technical cooperation.

In assessing the current international situation, they confirmed they hold identical views on the basic problems and expressed the determination of the two states to actively strive to preserve lasting peace and security in Europe and in the world.

During the meeting, Nicolae Ceausescu presented the Order of the Victory of Socialism to Gustav Husak, which was awarded to him for his important personal contribution to the development of friendship and cooperation between Czechoslovakia and Romania and the strengthening of fraternal relations between the peoples of the two countries.

The presentation ceremony was attended by Comrades Milos Jakes, Ladislav Adamec, and other representatives. Also present were members of the entourage of the highest level Romanian representative.

Jakes Meets With Ceausescu

LD1705174889 Prague Domestic Service in Czech 1630 GMT 17 May 89

[Text] [Announcer] Nicolae Ceausescu, general secretary of the Romanian Communist Party and president, paid a friendly working visit to Czechoslovakia today. He was received by our highest representatives Milos Jakes and Gustav Husak. Vladimir Vercak now reports on proceedings of the Czechoslovak-Romanian talks:

[Vercak] During this morning's talks, Comrade Milos Jakes briefed the Romanian guest on the principles of the new economic mechanism which aim to broadly utilize economic management instruments and perfect forms and methods of central planning, proceeding from the implementation of financial autonomy, self-financing, and socialist self-administration.

Nicolae Ceausescu spoke in detail about the extent of revolutionary changes taking place in Romania, in harmony with the general laws and principles of socialism. When discussing economic cooperation, the two representatives stressed that despite the fact that in 1988 the highest volume of goods export was achieved, the share of specialized and coordinated productions still remains insufficient—it represented about 17 percent. They singled out the utilization of higher forms of cooperation, coordination, specialization, broadening of direct relations, and so forth as the main path to improving and expanding the variety of cooperation.

Besides economic issues, the two representatives exchanged views on some topical international-political issues. They underlined the importance of strengthening peace and security in the world which is shown by the socialist countries' decisions to unilaterally reduce their armed forces, armaments, and military budgets, and some initiatives and proposals to create nuclear-free zones in central Europe and the Balkans, and the zone of trust, cooperation, and good-neighborly relations at the line of contact between the Warsaw Pact and the North Atlantic Treaty countries.

At the end of the talks, Comrade Ceausescu invited Comrade Milos Jakes to visit Romania. The invitation was accepted with gratitude.

In the Music Room of Prague Castle, the highest Romanian party and state representative met President Gustav Husak to present to him, on the occasion of his 75th birthday, the Order of the Victory of Socialism for his important personal contribution to the development of friendship and cooperation between the two countries and their people.

Then Milos Jakes, general secretary of the Communist Party of Czechoslovakia Central Committee, gave a gala luncheon in honor of the Romanian guest, at which both officials made speeches. In the speeches they summed up the results of the talks so far and the traditionally good bilateral relations, noting their mutual interest in further developing them at a new, qualitatively higher level.

[Announcer] Comrade Nicolae Ceausescu has ended his day's friendly working visit to Czechoslovakia.

Jakes, Ceausescu News Conference

LD1705215389 Prague Domestic Service in Czech 1930 GMT 17 May 89

[Text] As we have already informed you, Nicolae Ceausescu, general secretary of the Communist Party of Romania and president of the Republic, was in Prague today on a friendly working visit. At the end of the talks with Milos Jakes, general secretary of the Communist Party of Czechoslovakia Central Committee, he answered questions from journalists concerning the results of their talks. Tomas Chudlarsky reports:

[Chudlarsky] Nicolae Ceausescu was grateful for the invitation to visit and he expressed complete satisfaction with its course and results. He said:

[Begin Ceausescu recording in Romanian with superimposed Czech translation] We discussed a wide range of questions concerning the building of socialism in Romania and Czechoslovakia. We noted with pleasure that our parties and our countries have achieved significant results in building socialist society. It is well known that mistakes and shortcomings existed in realizing such significant work in Romania and Czechoslovakia; I am not talking about other countries. At a given stage we adopted measures for removing these negative phenomena, but overall we have achieved great things. If I speak about Romania I must say that it has evolved from a very weakly developed country to an agricultural and industrial country which has an industry producing 135 times more than in 1945, the national income has risen more than 40 times and the greatest rise took place after the Ninth Congress of the Romanian Communist Party in 1965. [end recording]

The Romanian guest stated that in the talks both sides emphasized that only socialism creates the conditions for such successes. We have reached the joint conclusion that we will strengthen cooperation with the aim of further developing socialism and perfecting our work based on the latest findings of science and technology. For this in Romania we created a wide democratic system including councils and gatherings of workers, and we have also strengthened the positions of state organs closely linked with the development of democracy and the participation of the workers in the running of society. Everything we do must serve the people, their well-being, independence, and progress toward communism, said Nicolae Ceausescu.

Comrade Milos Jakes highly praised the joint talks and expressed the conviction that the realization of their aims will not only favor the Czechoslovak and Romanian people but will also contribute to the effort toward a better world and better life. He expressed appreciation for the mutual exchange of views on the work of the parties when realizing the policy set out at the 17th Czechoslovak Communist Party Congress and the 13th Romanian Communist Party Congress. He said that bilateral cooperation was evaluated positively and that attention was given to perfecting it further on a manifaceted basis within the CEMA framework. He said that there are a lot of reserves here which must be used, and mutual exchange of goods must be increased by employing the new methods based on cooperation, specialization, and joint enterprise in foreign markets.

I think, Comrade Jakes continued, that we have reached the right conclusions. On the basis of further bilateral talks that took place today it was concretely agreed upon in which areas we will realize cooperation and specialization. We will place emphasis on ensuring that these forms of cooperation are developed directly between enterprises on the basis of direct relations.

At the close of his reply Milos Jakes said:

[Begin Jakes recording] The time we live in is very complicated. Every country is looking for ways of making socialism more attractive. We have exchanged experiences and their basis is similar, that is, increasing the efficiency of economic management, implementing new forms of and deepening socialist democracy, and in practical terms creating conditions for the people's wide participation in the running and management of the country. Naturally, everyone approaches this according to his own conditions, according to the situation, but the important thing is to learn from one another, and to investigate what is good, what has been tried and tested by one, and whether it can be used by another.

We gave great attention to cooperation in solving international questions. I am thinking in particular of our participation in the activity of the Warsaw Pact in preparing a number of proposals which are being presented and for which we fight, which are aimed at strengthening world peace and reducing international tension. I think that in this area, socialism is truly the force that will promote the solution of these problems. This emerges from its principles, because the purpose of socialism is to create a better life for people, so that society is humane, so that it is a society of contented, educated, and cultured people who value their dignity and wish to make a full contribution to life in the interest of good things, and there is no doubt that despite all the problems and shortcomings, socialism is the society that can achieve this. [end recording]

Charter 77 Protests Romanian Rights Policy

AU1805091489 Frankfurt/Main FRANKFURTER RUNDSCHAU in German 18 May 89 p 2

["Slightly abbreviated" text of Charter 77 appeal to Milos Jakes, general secretary of the CPCZ Central Committee, protesting against Romanian President Ceausescu on the occasion of his visit to Prague: "Disapproving of Ceausescu's Course"]

[Text] Although news only leaks out with difficulty, the world has heard of the catastrophic situation to which the Romanian president's government has brought the country. Further plans which will bring even more repression for the entire Romanian society have become known. If the plans were to be implemented, the Romanian society would be on the verge of cultural genocide.

The abandonment of the basic rights and freedoms of the individual, the suppression of national minorities, the systematic and planned destruction of cultural monuments, the plan to concentrate the Romanian population in agricultural centers, the poverty and curtailing of the majority's rights, the privileges and the power of the leadership, and Romania's total isolation from the rest of the world, whose public opinion the Romanian leadership is confronting—all have put the Romanian society in a miserable position unprecedented in postwar Europe. The civilized world is shocked. It protests against Ceausescu's policy.

Therefore, permit us to say that we regard the planned working and friendship visit as extremely ill-timed. At a time when the world is shocked at the Romanian human rights policy it should be a moral and political duty of every government to protest this policy.

(...) We appeal to you as the general secretary to publicly disapprove of the Romanian leadership's attitude toward its people. If you do not comply with this, we will have to come to the conviction that you do not only tolerate such measures, but even actively support them.

Further Reportage, Comment on Nagymaros Dam

Official Protest Published

AU1705110889 Prague RUDE PRAVO in Czech 16 May 89 p 1

["CSSR Government's Stand on the Temporary Construction Halt at Nagymaros"]

[Text] Foreign Minister Jaromir Johanes received Miklos Barity, ambassador of the People's Republic of Hungary, in the Cernin Palace in Prague on Monday [15 May] and briefed him on the stand of the CSSR Government on the decision of the Hungarian Government of 13 May 1989 to immediately stop, for a period of 2 months, work on the Nagymaros section of the joint Czechoslovak-Hungarian water projects on the Danube that are being constructed on the basis of the Treaty Between the CSSR and the Hungarian People's Republic on the Construction and Operation of the Gabcikovo-Nagymaros System of Water Projects, signed on 16 September 1977. This unilateral step of the Hungarian Government means in practice that the implementation of the agreement has been halted, and this represents a threat to the entire plan. The CSSR side, in the course of the construction of the water projects, has been proceeding consistently from the agreement and follow-up agreement documents, and has been cooperating closely with the Hungarian side. Furthermore, on a Hungarian initiative, on 6 February 1989, a protocol, on the basis of which the construction is to be speeded up by 15 months, was signed.

All the circumstances on which the Hungarian Government bases its decision were examined jointly before the signing of the agreement, that is, before commencing the construction, and specified further in the course of construction. The Hungarian Government decision has been made without discussion with the CSSR side. The procedure set by the agreement on the resolution of disputed issues has not been observed. The CSSR side considers this action to be unsubstantiated and without foundation, from the material and international law points of view. The CSSR Government therefore insists on the continuation and completion of the construction of the Gabcikovo-Nagymaros water project according to the valid agreement documents.

Considerable damage will be caused by the unilateral suspension of the work, and the CSSR side reserves the right for this damage to be expressed in monetary figures and for the subsequent payment of damages in harmony with the agreement. This also applies in the case of the much greater damage which would be caused by the disruption of the construction of the whole water project.

The CSSR Government is ready to start talks with the Government of the People's Republic of Hungary with the aim of finding a joint path toward the successful completion of the Gabcikovo-Nagymaros water project.

Adherence to Original Plan

AU1705120289 Bratislava PRAVDA in Slovak 13 May 89 p 2

[Article by Engineer Magdalena Srncova from Bratislava: "On Plans To Halt Construction Work on the Nagymaros Hydro-Project; This Would Not Only Be Foolish..."]

[Text] The construction of the system of hydropower plants on the Danube was begun on the basis of the Treaty Between the CSSR and the Hungarian People's Republic on the Construction and Operation of the Gabcikovo-Nagymaros System of Hydropower Plants, signed on 16 September 1977. According to this treaty, the hydropower projects form an inseparable whole. The Gabcikovo hydropower plant was designed to produce peak electric power, the Nagymaros hydropower plant to serve as an equalization basin.

The treaty of 1977 set the years 1986-90 as the deadline for commissioning the individual power units for operation. At the request of the Hungarian side, a Protocol on a Change of the Treaty was signed on 10 October 1983; it set new deadlines for gradually putting the units into operation later, in 1990-94. This meant that construction work would take longer and that one could start using the energy generated 4 years later than originally planned.

At the request of the Hungarian side, an intergovernmental agreement was signed on 6 February 1989, according to which the construction of power units for the Nagymaros hydropower plant was to be accelerated, and concluded 15 months earlier than planned, in line with the earlier start of operations of the units in the Gabcikovo hydropower plant.

The development of political events in the Hungarian People's Republic, particularly during the last few years, has adversely affected the construction of the Gabcikovo-Nagymaros hydro-project system. Initially, it was a matter of various ecological objections and arguments which experts and the responsible staff could substantiate or explain in a professional way. However, the current demands for halting construction work on the Nagymaros hydro-project can no longer be termed ecological or technical—they have become political. What one tends to forget is the primary, ecological purpose of the entire construction project: to protect the population of adjacent areas from floods. Neither Czechoslovakia, nor Hungary are rich enough to be able to afford to build costly safety facilities without using the energy potential of the Danube.

As the other party to the contract, Czechoslovakia insists that the entire project system be built according to the original design. After all, this was also the decision adopted by the parliament of the Hungarian People's Republic in October 1988. In fact, it is not part of the relations of good cooperation between two neighboring states to demand a popular vote on the Nagymaros hydropower plant, half of which is owned by Czechoslovakia.

The negative consequences ensuing for the CSSR from the halting of construction work on the Nagymaros hydropower plant would be considerable; above all, the value of the Gabcikovo hydropower plant would depreciate, since it could no longer generate peak electric power as was originally planned. We know that peak electric power costs considerably more than daytime power. Reduced generation would thus mean reduced revenues from electric power production.

Moreover, halting construction work on the Nagymaros hydropower plant would also adversely affect the technical parameters for the Gabcikovo power plant; it would reduce the value of construction investments as regards the number of turbines, and the size of the inlet channel and the water basin. It would also have a negative impact on the intensive use of the surrounding areas, as well as on the construction of safety facilities for the Nagymaros hydro-project which we are building on our territory. All this would negatively affect navigation in the Palkovicovo-Budapest sector of the river, where navigation conditions would remain at the present unsuitable level and the 3.5-meter navigation depth would not be provided for, as recommended by the Danube Commission.

The preliminary rough estimate of the CSSR's claims on the Hungarian People's Republic if construction of the Nagymaros hydropower plant is stopped amounts to several tens of billions of korunas.

The signing of interstate treaties is regulated by the multilateral Vienna Accord on Treaty Rights of 1969. Under this accord, the CSSR and the Hungarian People's Republic are partners to a contract. Article 57 of the Vienna Accord states that the implementation of a treaty cannot be broken off without mutual agreement. The Hungarian side would be unable to support its withdrawal from the treaty by any international legal document.

Water Official Criticizes Decision

LD1705224989 Bratislava Domestic Service in Slovak 1630 GMT 17 May 89

[Text] [Announcer] And now a few words on the decision of the Hungarian Government to temporarily halt the construction of the Nagymaros part of the joint Czechoslovak-Hungarian water project on the Danube. This unilateral step continues to be the number one theme in expert circles. Evidence of this is the viewpoint of Jose Oborizky, deputy director for investment of the Bratislava water economy enterprise. Editor Bohuslav Gecy met him today:

[Begin recording] [Gecy] What is the situation? What has been halted?

[Oborizky] While the larger part of investments is on our territory, the Hungarian side had to build some of the protective measures of the Nagymaros dam on our territory, as well as some of the projects of the Gabcikovo dam. What is the situation at Gabcikovo? Well, the Hungarian Government's decision has had no impact on the progress of the work. As for the work on the Nagymaros dam, the Hungarian side is carrying out protective measures at Ipel and Hron—and along these sections on our territory the Hungarian side continues working even after the Hungarian Government's decision.

[Gecy] So the decision, for the time being, concerns Nagymaros itself, that is, the construction site.

[Oborizky] Yes, this concerns only the construction site.

[Gecy] How do you see the far-reaching and long-term losses which would essentially arise through such a decision?

[Oborizky] Gabcikovo was conceived as the first main step which should produce peak electric power, and it was conceived as such—from the point of view of the volume of the reservoir, from the point of view of the volume and dimensions of the outlet canal, and from the point of view of the hydropower station and the number of turbines. If Nagymaros were not to be built, the basic role of the production of peak energy could not be carried out by Gabcikovo, because in order to maintain and safeguard the conditions for international navigation, one has to maintain at Gabcikovo a certain volume of water. A minimum of 1,000 cubic meters a second must be preserved. The flow canal is designed for peak performance [words indistinct] 4,000 cubic meters a second—but it could have been considerably smaller and the content of the reservoir could have been smaller.

In order to build Gabcikovo within the given deadlines and within the given parameters, we had to build capacities that were not common in our country. This means that supplier organizations had to buy a large number of machines from the West. These machines [words indistinct] and this work will in fact be unused because it will not be able to fulfill its original role. [end recording]

Slovak Government Protest

AU1705105689 Bratislava PRAVDA in Slovak
16 May 89 p 1

["Standpoints on the Decision of the Government of the Hungarian People's Republic Concerning the Nagymaros Section of the System of Hydropower Projects on the Danube"]

[Text] At an extraordinary session held on 15 May 1989, the Government Presidium of the Slovak Socialist Republic discussed the situation that has arisen as a result of the decision of the Government of the Hungarian People's Republic to temporarily halt construction at the Nagymaros section of the system of hydropower projects. The Slovak Socialist Republic Government Presidium has expressed surprise at the serious decision of the Government of the Hungarian People's Republic, precisely because the construction of the Gabcikovo-Nagymaros dam is, in line with the relevant international agreement, a joint Czechoslovak-Hungarian project. Investment and design preparations for the project took more than 20 years. Both Hungarian and Czechoslovak project engineers—as well as scientists from both states—actively participated in the preparation, during which both sides made use of international consultation. In the case of the construction of the Nagymaros section, the Hungarian side carefully consulted Soviet, Austrian, French, and other foreign experts.

We are surprised by this step taken by the Hungarian People's Republic Government, particularly because an agreement was signed at its own initiative last year between the CSSR and the Hungarian People's Republic to speed up the construction of the dam. The intention to halt and not to realize the Nagymaros project would mean a conceptual devaluation of the entire system of hydropower projects, which would bring immense economic losses to both states. The CSSR would suffer the biggest losses. It is no secret that, in view of the technical demands the construction poses, Czechoslovak construction enterprises have been compelled to purchase a considerable amount of construction machinery and equipment from Western companies, which has increased the financial demands this construction project has generated. Its real effect can only be realized if the existing concept of both sections of the Gabcikovo-Nagymaros project is maintained.

The unilateral step taken by the Hungarian People's Republic Government, although the government is fully entitled to make decisions on matters concerning its own territory, is at variance with the valid Czechoslovak-Hungarian treaty and international law.

Therefore, the Slovak Socialist Republic Government Presidium, proceeding from the law on the Czechoslovak federation, has appealed to the federal government to speedily take the necessary steps to ensure that the valid international treaty between the CSSR and the Hungarian People's Republic is observed and to demand that the Hungarian People's Republic implements it consistently.

At the same time, the Slovak Socialist Republic Government has appealed to the construction and supply organizations working on the Czechoslovak section of the Gabcikovo system of dams to continue to carry out their normal tasks so as to ensure that the first part of the Gabcikovo dam goes into operation on 1 July 1990, in line with the construction timetable.

Slovak Official Interviewed

AU1605155689 Bratislava PRAVDA in Slovak
12 May 89 p 2

[Interview with Engineer Jaroslav Husarik, director of the investment section at the Ministry of Forestry, Water Economy, and the Wood-Processing Industry of the Slovak Socialist Republic, by Anna Majkutova: "An Attack on the Policy of Rapprochement; On Topical Aspects of the Construction of the System of Hydropower Projects on the Danube"—date, place not given, opening paragraphs are paper's introduction]

[Excerpts] From Hungarian television and other mass information and propaganda media, our citizens have come to know about the long-standing campaign of casting doubt on the construction of the Nagymaros hydropower project, which is part of the joint Czechoslovak-Hungarian system of hydropower projects on the Danube. The parliament of the Hungarian People's Republic also started to deal with this problem. In the summer of 1988 its deputies visited the construction site and, by their vote at the fall session of Parliament, confirmed the commitment of the Hungarian People's Republic to carry on the construction of the joint project in harmony with the concluded interstate treaty. However, the statement of the Hungarian parliament has not put an end to the campaign by part of the Hungarian public calling for a halt to construction at Nagymaros.

We asked Engineer Jaroslav Husarik, director of the investment section at the Ministry of Forestry, Water Economy, and Wood-Processing Industry of the Slovak Socialist Republic, about the consequences of a possible termination of work on the construction of that part of the system of hydropower projects on the Danube. [passage omitted]

[Majkutova] What would be the consequences for the Czechoslovak national economy of a possible termination of construction of the Nagymaros hydropower project?

[Husarik] This is a very complex issue. We have dealt with it in detail at the ministry, together with our designers, investors, and the scientific-research base. It needs to be said, first of all, that the Gabcikovo hydroelectric power plant has been designed for operation primarily as a generator of peak-period electricity. Should the Nagymaros barrage not be realized, Gabcikovo would not be able to generate peak-period electricity but only continuous electricity. Over the period of the planned service life of the hydropower project, which is 50 years, this would represent a loss of roughly Kcs27 billion for the Czechoslovak national economy. It also needs to be added that replacing the peak-period electricity thus lost would require a new power generating source with an output of roughly 400 megawatts, which would cost an estimated Kcs1.75 billion.

[Majkutova] However, a halt to construction at Nagymaros would result in other losses as well, such as those arising from the nonutilization of installations and facilities that have already been built.

[Husarik] Of course, because in this case the investment in the Gabcikovo hydropower project would have been too large. The number of turbines and their absorption capacity have been designed for the joint generation of electricity from both hydroelectric power stations—Gabcikovo and Nagymaros. Neither would it have been necessary to build the derivative [derivacni] supply channel on the scale on which it has been built. Not only would this have saved investment costs, but the preemption of agricultural land would also have been reduced by a minimum of 300 hectares.

[Majkutova] One of the assets of the system of hydropower projects is a substantial improvement in the conditions for navigation on the Danube. How would a possible termination of construction of the hydroelectric power plant on the Hungarian side affect conditions for navigation?

[Husarik] This effect would likewise be negative because conditions for navigation between Palkovicovo and Budapest would remain at the present level. In other words, the 3.5-meter depth for navigation recommended by the Danube Commission would not be safeguarded. This would mean that the Czechoslovak Danube Navigation Lines would also incur financial losses on these grounds.

[Majkutova] In connection with the construction of the system of hydropower projects, the development of the water economy in the entire area—including the mouths of the Vah, Hron, and Ipel Rivers—has been dealt with in a conceptual manner. Would a possible halt to construction at the Nagymaros hydropower project also affect the realization of other water economy plans on a wider area of Slovakia?

[Husarik] It is beyond dispute that these considerations would also adversely affect the conceptual solution to the regulation of the outflow conditions of these Slovak rivers. After all, work operations taking account of the planned rise in the water level as a result of the Nagymaros hydropower project are already in progress. Likewise, the planned construction of the Vlcany hydroelectric power plant on the lower section of the Vah River would have to be adjusted to these altered conditions. The same holds true for the Lesser Danube and for parts of the network of channels and pumping stations downstream from Gabcikovo. The termination of construction of the Nagymaros hydropower project would certainly also make itself felt negatively in terms of the general development of the adjoining Czechoslovak territory.

[Majkutova] What can you say about the legal aspects of a possible violation of the valid treaty between the CSSR and the Hungarian People's Republic on the construction and operation of the Gabcikovo-Nagymaros system of hydropower projects, signed on 16 September 1977?

[Husarik] In this context, allow me to quote from Chapter 11 of the treaty, where it is said: "Each contractual party is exclusively responsible for carrying out the works and deliveries that fall due to it as a result of the distribution of works and deliveries within the framework of the joint investment. Each contractual party is itself and exclusively obliged to compensate the other contractual party for damage caused by the delayed or inadequate execution of works or deliveries falling due to it. It is up to government commissioners to determine the damage and the level of costs involved."

It is necessary to proceed from the fact that the project is conceived as a joint Czechoslovak-Hungarian investment and that even one-half of the Nagymaros hydropower project constitutes Czechoslovak property. We have paid for it by our share of work on the system of hydropower projects on the Danube. Should the Hungarian side unilaterally stop the construction of the Nagymaros barrage, the Czechoslovak side would be compelled to proceed in the spirit of the valid treaty and insist on compensation for damage incurred.

The attack on the construction of this joint project between two socialist states is directed against the policy of rapprochement between neighboring countries. These tendencies run counter to the deepening of democratization and to the philosophy of building a common home and developing good-neighborly relations between our states.

Press Cited on Decision

AU1705163589

[Editorial Report] Prague RUDE PRAVO in Czech and Bratislava PRAVDA in Slovak on 15 and 16 May give extensive coverage to the decision of the Hungarian Government of 13 May to halt, for a period of 2 months, the construction of the Hungarian section of the Gabcikovo-Nagymaros system of hydroelectric power stations. An interview with a Czechoslovak expert on the implications of the Hungarian decision is also published by Bratislava ROLNICKE NOVINY in Slovak on 16 May, on pages 1 and 2.

Prague RUDE PRAVO in Czech on 15 May on pages 1 and 6 carries a 700-word dispatch by its Budapest correspondent, Gejza Vilcek, entitled "Government of the Hungarian People's Republic Has Suspended Work at Nagymaros." Vilcek cites the Hungarian Government's decision as well as the official explanation of the decision and reports on the reception of the Czechoslovak and Austrian ambassadors by the Hungarian foreign minister, at which they were briefed on the Hungarian step. Vilcek also quotes Hungarian Deputy Premier Medgyessy's interview for Hungarian television on Hungary's efforts to minimize losses for Austrian firms and banks involved in the project and an MTI item on a statement issued by the Austrian Greens to the effect that they will try to dissuade the Austrian Government for claiming damages.

Commenting on the decision, Vilcek then says: "Saturday's decision of the Government of the Hungarian People's Republic, adopted with the unconcealed intention of abandoning the construction of the Nagymaros section altogether, did not come unexpectedly. The Gabcikovo-Nagymaros hydropower project has played an important role in the country's political development in recent months and has become a means by which opposition forces cast doubt on past decisions of the country's leadership. The conviction is being spread and reinforced among the public that the present economic situation of the country does not allow the continuation of such an expensive project. This argument has met with broad response, although the expensiveness of the construction of the Nagymaros section is actually minimal. The dam is being built by the Austrian company Donaukraftwerke on credit that will be repaid in the form of electric power supplies to Austria from the beginning of the nineties. The Hungarian People's Republic must supply this electricity to Austria at any rate, even if the Nagymaros section is not built. Of course, we cannot predict the results of the experts' inquiry [to be conducted in the next 2 months], but this fact will probably play a role in the objective evaluation of the project's expensiveness.

"The immediate halt of work at Nagymaros was the first act of a new government that took office last week with the determination that 'the time of not popular but of rational deeds has come.' The decision to halt work at Nagymaros is clearly popular among the opposition and the public, which is concerned about the economic situation and under the sway of the opposition's campaign that has been underway for several months. Whether the decision was rational will be decided by the 2-month experts' inquiry, provided, of course, that it will not be carried out with the a priori aim of finding arguments to pare down the already commenced project, but remains objective, which will not be easy in the current period of actions to apply pressure." In his dispatch, Vilcek also points out that, earlier this year, the Czechoslovak side complied with the Hungarian side's request to speed up construction by 15 months, which made it necessary "to regroup capacities at considerable cost." Gejza Vilcek's dispatch is published in identical form by Bratislava PRAVDA in Slovak on 15 May, on pages 1 an 4, under the headline "Work at Nagymaros Halted."

On the same day, on page 6, in its foreign press review, RUDE PRAVO carries a 100-word unattributed report noting that all Hungarian papers of 13 May reported on Jaroslav Husarik's interview for Bratislava PRAVDA of 12 May, in which the Slovak official spoke of the consequences for Czechoslovakia of a Hungarian failure to complete the Nagymaros dam. The RUDE PRAVO report notes that, while NEPSZABADSAG published excerpts from the interview without commenting on them, "NEPSZAVA added a note, according to which these standpoints were published on Friday in order to influence the decision of the Hungarian Government's Saturday session."

On 16 May, on page 1, under the joint headline "CSSR Government's Stand on the Temporary Construction Halt at Nagymaros," RUDE PRAVO carries three items related to the Hungarian decision: A 350-word CTK report on the CSSR Government's stand, which was conveyed to the Hungarian ambassador at the CSSR

Foreign Ministry on 15 May; a 200-word report on a Slovak Government Presidium statement; and a 400-word "oz"-signed report on the state of construction at Gabcikovo. Without containing any direct reference to the Hungarian decision, this report mentions that construction at Gabcikovo "continues at full speed and in harmony with the adopted timetable." It also quotes Engineer Frantisek Lahoda, one of the project's managers, as saying that "no one here has any doubts about the benefit and contribution of this project" and that none of the "scores of experts from the whole world who have visited Gabcikovo regarded our hydropower project as unsuitably or even poorly conceived."

On 16 May, on page 7, RUDE PRAVO carries a 600-word "ctk,zr"-signed report entitled "Hungarian Press on the Nagymaros Building Project." The report reviews Hungarian press reaction to the decision of the Hungarian Government to halt construction at Nagymaros. The report says that the first Hungarian reactions suggest that "according to many Hungarian organizations, institutions, and enterprises, the decision contains many contradictions and things that are not clear, has not been comprehensively thought out, and is lacking in information on all aspects pertaining to that decision." Most "unanswered questions," the report continues, "concern the manner in which work is to be halted, the legal aspects, and the international obligations of the Hungarian People's Republic." For illustration, the RUDE PRAVO report cites a statement by Miklos Varga, state secretary at the Ministry of Environmental Protection and Water Management, revealing that "he himself does not know exactly what the suspension of the Nagymaros investment project means and whether it concerns only work there or all activity, including adjoining installations and dams." Varga (the source of whose statement is not given) is also cited as having said that the "inquiry into environmental protection" which the Hungarian Government now demands "had been carried out long ago."

"The same uncertainty," according to the RUDE PRAVO report, was expressed by Miklos Szanto, managing director of the Oviber enterprise, the chief investor, in an interview for NEPSZABADSAG. In this interview, Szanto reportedly "described the government decision as surprising and confused because no one knows with what to reckon. The government has halted work at Nagymaros, but it is not clear what will be the fate of other investments along a 120-km-long section of the Danube." Szanto is also quoted as having said that the current debate in Hungary is "a political one and not an expert debate."

The RUDE PRAVO report also notes that in interviews for Hungarian information media "the people of Nagymaros advocate the project's completion and express surprise at the contradictory pronouncements of official quarters." A Nagymaros local official is quoted as having said (again, no source of this statement is given) that the opponents of Nagymaros use the power station only as a pretext, since "the participants in a recent protest march were shouting all sorts of slogans, most of which did not concern the project at all."

Bratislava PRAVDA in Slovak on 16 May on page 1 carries the 500-word text of the Slovak Government Presidium statement on the Hungarian decision. On the same day, on page 7, under the headline "Still Plenty of Confusion," PRAVDA also carries a 700-word "zr"-signed review of Hungarian press comment on the Nagymaros decision, which is an expanded version of the RUDE PRAVO review. It quotes, inter alia, a MAGYAR NEMZET commentary, according to which the Hungarian decision is "more likely to cause difficulties with Prague than with Vienna."

Bratislava ROLNICKE NOVINY in Slovak on 16 May on pages 1 and 2 carries a 700-word interview with Magdalena Srncova, a collaborator of the CSSR Government commissioner for the construction and operation of Gabcikovo-Nagymaros, by Jana Veghova entitled "An Expensive 'Cheap' Decision." The date and place of the interview, which is devoted to the Hungarian decision, are not given. Asked about the most important negative consequences of a construction stop at Nagymaros for the Czechoslovak side, Srncova replies that Czechoslovakia would incur losses because Gabcikovo would not be able to generate peak-period electricity, because the investments carried out thus far would have been needlessly extensive and expensive, because the "intensive use" of the adjoining territory would be "adversely affected," and, finally, because conditions for navigation downstream from Palkovicovo would remain poor. According to Srncova, "the preliminary rough estimate of our republic's claim for damages in the event that the Hungarian People's Republic completely halts the construction of Nagymaros is almost Kcs30 billion."

In the interview, Srncova also takes issue with the Hungarian Government's official justification of the construction stop. She says: "The Hungarian Government regards the halting of the construction of the Nagymaros hydroelectric power plant as a democratic breakthrough. The question arises, however, whether it really is democratic to abandon fundamental positions and lines of political-economic life at the expense of one's neighbors and to induce the public to take the rosy view that decisions such as this one will resolve the country's economic problems. Czechoslovakia, too, has economic problems, but it does not therefore abrogate any internationally valid legal commitments which it has toward its partners. The situation for us is all the more serious as we have, in fact, already paid our share of the cost by the construction of the Gabcikovo section."

In her concluding reply, Srncova criticizes a statement by a representative of the Austrian Greens that the Hungarian decision is an "international success." She says that "this claim sounds highly dubious as it was made by the representative of a country that has already built nine hydroelectric power stations on its section of the Danube." She also asks rhetorically whether the Austrian Greens will be willing to compensate the people of Hungary for the damage they may incur from future floods, if Nagymaros is not built.

Dubcek Visits Freed Dissident Vaclav Havel

AU1805080489 Paris AFP in English
0704 GMT 18 May 89

[Text] Prague, May 18 (AFP)—Alexander Dubcek, Czechoslovak leader during the 1968 "Prague Spring", paid a surprise call on Vaclav Havel just hours after the dissident playwright had been freed from jail Wednesday.

Friends of Mr. Havel said the former Communist Party general secretary turned up on the doorstep for the first meeting between the two men since 1968. They talked "generally" for two hours.

Mr. Havel, a leader of the Charter 77 human rights group, was released on 18 months probation after serving four months of an eight-month jail term. He was sentenced for taking part in a commemorative service last January for Jan Palach who burned himself to death to protest the Soviet invasion of 1968. Mr. Dubcek is regarded as a communist reformer, whose Prague Spring liberalization movement was crushed by the Soviet Union, while Mr. Havel is a liberal anti-communist.

News Conference Held on Presidium Session

AU1805104989 Prague RUDE PRAVO in Czech
12 May 89 p 2

["(PP)"-signed report: "A Temporary Curb on Construction; The Reduction in the Volume of Work Represents Kcs22-25 Billion; In Support of the Economic Balance; A News Conference on the Proceedings of the CSSR Government"]

[Text] Prague (From our own correspondent)—The halting of the commencement of all projects, except comprehensive housing construction, the approved ecological program, and community self-improvement programs for a period from May 15 to the end of this year, on which the CSSR Government made a decision at its Thursday [11 May] session, represents reduction of Kcs22-25 billion in the volume of construction projects against the plan for 1989.

As Miroslav Pavel, head of the press section of the Office of the CSSR Government Presidium, reported at a news conference after the government session, this measure was necessitated by the excessive number of unfinished projects which we have not managed to reduce, despite all the effort. Even the establishment and activity of a government commission for screening capital investment have brought only partial results, and even in 1988 our enterprises and departments started a greater number of projects than in 1987.

However, the curbing of investment activity is only one of the approved set of measures for the rehabilitation of the economic balance. The government further set the finance minister the task of discussing before the end of June the possibility of providing manufacturers of goods in short supply with a tax rebate from profit on the assumption of a significant increase in this production. The minister of foreign trade is to prepare a proposal for the introduction of trading operations in the socialist countries, and is to assess the possibilities for increasing currency incentives for enterprises which are beginning to export their products to non-socialist countries. The active balance which Czechoslovakia has in some socialist countries ought to be used as the capital stock for founding joint enterprises. A measure is also being prepared which would guarantee the transfer of the influence of the movement of exchange rates onto our manufacturers.

The government also dealt with an inspection by the People's Control Commission concerning the construction of the Hotel Forum in Prague. The Strojexport foreign trade enterprise, when inquiring about tenders, did not compare prices from other world companies. Forms of payment were selected which were not always advantageous for us, and the possibilities of domestic supplies for the project were not utilized. The result of these shortcomings was a significant lack of economy. The Ministry of Foreign Trade, the State Bank, the Ministry of Finance, and the government Legislative Council are therefore to prepare measures to coordinate the activity of joint enterprises and prevent a possible source of harm to our national economy.

In reply to the question on how the CSSR Government will handle the contemporary discussion in Hungary about the possible halting of the construction of the Gabcikovo-Nagymaros dam, Miroslav Pavel said that the recently signed agreement on the acceleration of the construction is still valid.

Jakes, Lenart Receive Lebanese Communists

AU1805084989 Prague RUDE PRAVO in Czech
16 May 89 p 1

["z"-signed report: "Comrade M. Jakes received G. Hawi"]

[Excerpts] Prague—In Prague on Monday [11 May], Milos Jakes, general secretary of the CPCZ [Czechoslovak Communist Party] Central Committee, held talks with a delegation of the Lebanese Communist Party [LCP] headed by general secretary of its Central Committee, George Hawi, which is paying a brief official visit to Czechoslovakia. [passage omitted]

The same day, Jozef Lenart, member of the Presidium and secretary of the CPCZ Central Committee, held talks with LCP Central Committee General Secretary George Hawi and members of the delegation, which consists of Georges Batal, member of the LCP Central Committee Politburo, and Rafiq Samhun, the LCP's representative to the editorial office of the periodical PROBLEMS OF PEACE AND SOCIALISM. The talks were attended by Michal Stefanak, head of a CPCZ Central Committee department.

Husak Greets New SFRY President Drnovsek

AU1805083089 Prague RUDE PRAVO in Czech 16 May 89 p 2

[CTK report in the "Receptions, Negotiations, Telegrams, Letters" column]

[Text] Prague—CSSR President Gustav Husak sent a congratulatory telegram to Janez Drnovsek, president of the SFRY Presidency, on the occasion of the latter's taking up his office.

Ladislav Adamec Speech at South Moravian Aktiv

AU1605101189 Prague RUDE PRAVO in Czech 5 May 89 p 3

[Speech by Ladislav Adamec, member of the CPCZ Central Committee Presidium and CSSR premier, at an aktiv in Vetrny Jenikov, South Moravia, on 4 May: "Restructuring Is Being Asserted Through a Clash of Interests"]

[Text] Through its economy the South Moravia region indisputably belongs to the bulwark of our national economy. One of the bases of our engineering here, new methods of management have taken shape here, and many come here to learn how to build and manage truly modern socialist agricultural combines. Having a head start is not a reason for standing still, for relying on conquered positions, but, on the contrary, it calls for even higher aims to be set. Traditions help in economic enterprise but are not in themselves a guarantee of successes. The scientific and technical revolution is bringing constant upheavals in materials, energies, and technologies. In order to earn interest on past merits we must utilize the experiences of people for everything new and emerging.

One part of the South Moravian tradition is the unforgettable contribution of the working class of your region to the shaping of the revolutionary movement in our country. I do not mention this fact in order to waste your time by reiterating well-known historical dates. I recall this glorious past because today we also require deeds such as those which made Josef Hybes and his comrades famous. We must do a lot to strengthen the social background of restructuring and bond together the ranks of the most conscientious workers and the scientific and artistic intelligentsia. Not everyone today realizes the newness and the demanding nature of this task. Under the conditions of democratization and an increased flow of public information, voices are being raised the likes of which we, until now, have not been used to hearing. This indicates that we will assert restructuring through conflicts of interests of a most varied kind. Creating socialist unity from a plurality of interests represents a creative deed worthy of a revolutionary period. In this each district and region has a great opportunity to enhance, by its own approaches and innovative acts, the knowledge of the whole party and to contribute its own share to the joint effort.

The decision on the implementation of social restructuring has heightened interest in political matters and created a more critical atmosphere in society. There are more and more open discussions. Problems are being vented in public which previously were only discussed quietly and in private. Like everything new, it is accompanied by much confusion, worry, and anxiety. However, among the majority of the citizens, hopes prevail. They expect that there will be success in changing things that have long been the subject of justified comments and that one has not been able to budge so far. Various ideas about the speed and pace of progress are emerging. A decisive section of the people is not indifferent to the fate of the program of fundamental changes. They realize how great a chance this is and what is at stake.

From Intentions to Concrete Deeds

The ideas of restructuring are gradually making their way from political documents, from the pages of newspapers, and from discussions at meetings into practice. They are becoming part of everyday life. And many complications are arising in the transition from intentions to concrete decisionmaking and behavior.

It is natural that people want to see results, changes for the better in workplaces, in the shelves of shops, in services, in the policy of the authorities, and in their place of residence. They appreciate the things that have been successful but there is much dissatisfaction with how problems are solved at their workplace in the specific conditions of the working collectives. This annoys the majority. However, fears are also arising about whether everyone takes the call for new ideas and approaches seriously and whether it will bring anything useful for people.

Many times we hear demands for guarantees that the contemplated intentions will be successfully implemented. The issue is how this is understood. We are not insured against setbacks, mistakes, and difficulties in such a large and complicated undertaking. The basic certainty rests in the fact that we cannot continue along the current road. If we did this we would endanger the revolutionary achievements we have gained, we would reduce the appeal of socialism, and we would cast doubts upon the future of our country.

Life has convinced us that tiny improvements and partial corrections cannot reverse negative tendencies and halt stagnation phenomena. No one has yet come up with a program better than the revolutionary change to the current system of managing the economy and the whole of society. I am personally convinced that in principle there is no positive, constructive solution other than the one which the CPSU was the first to put forward. A doubt can also arise about whether it is not possible to delay this far-reaching intervention into the social organism or even entrust it to our successors. This would perhaps be more comfortable for individuals but we could pay dearly for a further delay of that—figuratively speaking—vitally important surgical incision.

We welcome and support the public's growing interest in social affairs. It enables the better utilization of the great potential of the broad initiative emerging from below. This is a positive process which has a healthy basis. Of course, it is not without problems, extremes, and negative phenomena. But it is impossible to confront this by stepping back in the face of difficulties, by slowing down the pace, and by returning to the old ways. Such a road would lead to the people's distrust in the veracity of our intentions and would endanger the adopted reforms. We consider it correct to proceed even more quickly and consistently—in harmony with the needs of society and the expectation of the people. Changing old ideas, habits, and methods into new ones is possible only by a mass movement to rectify what has been neglected, to renew what has been forgotten, and to decisively introduce what is new. In this, are there risks of a lack of restraint, anarchy, outdistancing development, exceeding possibilities, and skipping over stages? Indisputably, there are. It is impossible to face them effectively and in time by mere warning and condemnation, by individual prohibitions and commands. It takes correct political leadership, the initiative in introducing issues, their topical discussion, and their well-thought-out resolution.

The principle of our policy is the development of socialism by means of the growth of the initiative of the people. In a number of spheres, restructuring—as Comrade Milos Jakes already said at the seventh CPCZ Central Committee session—is an open program which we will complete, specify, and amend with the increase in experience and new problems. It represents a constant orientation toward the growth in the party's capacity for knowledge, toward creative cadres, and smooth-running cadre turnover. It proceeds from the fact that it is not necessary to tell everyone what, when, and where he has to act and think. An honest person will gradually recognize where his place is in contemporary struggles and what our time requires of him.

Authority Alone Is Not Enough

We find ourselves in a period of transition. Jointly, and alongside each other, old and new laws are operating, elements of the mechanism to date and the mechanism under preparation. All of this complicates the situation in the center and in the enterprises. The methods of management and planning to date have tied our hands in many things. We are counting on the fact that next year we will take a decisive step toward insuring that all the elements of the national economy embark upon the Ninth 5-Year Plan in a way that already operates according to the new conditions. However, the necessity of good and consistent preparation does not concern only the center; it is no less important at the enterprise level. Here it would be necessary to add, especially as far as the implementation of economic accountability principles is concerned, the changes in management within the enterprise, the reduction of the bureaucratic apparatus, and the preparation of the cadres.

Often an appeal is made for broader help from the center and for a more decisive solution to the problems in production and in other sectors. It is impossible to overlook this criticism; in many cases it is necessary to recognize the truth of it. However, a number of difficulties do not arise out of the complexity of objective conditions but are caused by specific people at the center. We know about this and, as long as the situation does not change, we will draw the necessary conclusions from this. We are aware that the central organs to date have not been functioning as they ought to. The creation of a unified management center is not a one-time affair. We are reducing the apparatus by 30 percent and we have laid down the powers of individual central organs. Work is being carried out on a series of other issues and this is being done in connection with the preparation of the new CSSR Constitution.

However, in the interest of justice I must also refer to the other side of the coin. But it is impossible to link many—of course, not all—shortcomings in services and in the retailing network, and the state of the environment in sites and in factories, solely with the work of central organs. Their resolution is not dependent on changes to the economic mechanism and on the decisions of the federal government, but is fully within the jurisdiction and capabilities of functionaries and citizens in individual localities. We have strengthened the independence of state enterprises, national committees, and other elements so that it is possible to resolve problems more operationally, sooner, and better. However, it is becoming evident that it is not enough to have authority alone, but that it is necessary to learn to use it well, in the spirit of the unity of state-wide and local interests. Why has this not been the case to date? In some things old habits influence people to wait for a blessing from above for everything and makes them afraid to take risks or make a wrong step. In the minds of the people, the system of directive administrative management has created a false image about the omniscience and omnipotence of the central organs, and about their ability to know everything in detail and to solve everything at a distance. However, the main reason is comfort, an aversion to taking greater responsibility onto oneself, and being called to account for one's actions. However, is it possible to order these things and to impose them from above? Of course not, but for just that reason we are expanding democracy, creating self-management organs in enterprises, and providing greater scope for the citizens' activity. But at any rate local functionaries will have to get used to the fact that no one will lift from them the responsibility for working conditions and the conditions of life.

Many comments are reaching party and state organs and also the information media about the breakdowns in supplier-customer relations. How can one respond to this? If the reasons lie in bad organization and in the low level of leading cadres, there are no grounds for excuses and for postponing improvements. However, I want to say frankly that a fundamental and lasting change for the better on a state-wide scale is not feasible at once, in the short term. The shortage of certain raw materials and supplies, whether they be domestic or imported, is sharply criticized. Is this only the fault of the plan not being balanced out as is often claimed? No, even the senior managers of these departments and enterprises who permit the non-fulfillment of tasks in reducing material costs account for this poor state in many ways. Massive differences in the consumption of raw materials and energy in comparison with advanced states bear out the huge untapped potential. This indicates that with our resources we could manage to achieve 50-percent higher economic standards. It is possible to alleviate the problem of material costs by economizing but the transition to a more economical structure of the national economy is not a short-term matter. It is more necessary to take care that this is not multiplied by the influence of speculative courses of action. There are still instances of enterprises' not being able to agree together, even within the framework of a single department.

The federal government has allowed for the fact that overcoming the disproportions in the national economy will require a period of several years. But by this we are not at all rejecting the aid of the center in resolving everyday difficulties in the life of the people as long as there are means and possibilities for this. However, it is not appropriate to become subject to care-free ways or helplessness. We know about the serious problems and we are preparing a program for their gradual resolution as an inseparable part of the draft Ninth 5-Year Plan.

The Art of Selling Will Decide

More than once we hear the question why, with such a large economic potential, must we so often grapple with shortages of various kinds of goods—sometimes even trivial things—which we know how to produce? There are certainly many reasons. The main reason lies in the transition from economic planning to administrative appropriation, and in replacing economic analyses by the statistical proof of percentages. Such a concept does not have much in common with either science or socialism. By its substance, it is at variance with the real interests of the people as producers and consumers.

The data on the fulfillment of the plan in the first quarter of this year show this graphically. The quantitative and volume indicators are being fulfilled. Previously, we were satisfied with such a situation and regarded each growth in output in tonnes, meters, and units as a success. Each reduction was considered a failing, regardless of the costs and the resulting effect. Today we are assessing the economic situation first and foremost according to whether the citizens will receive the demanded goods with the required quality, variety, and price range. The same applies to supplies of raw materials and stock in the enterprise sphere. We are pursuing the aim of an even better link between the plan and the market and the meeting of the people's needs.

During the transition to the new economic mechanism it is vital to restore entrepreneurial functions to the enterprises. To date, they have primarily guaranteed the quotas set out from above, and have taken care to ensure that they fit into all the indicators, that they have invested and consumed their financial resources. I know that this has not always been easy, but in a number of respects it has been more comfortable. This is all the more true because organizations performing badly could always count on compensation for their losses, on appropriations, and on shifts of resources from more successful organizations. They learned to struggle for the lowest possible plan and to conceal their potential as much as possible. What is demanded of them today?

Primarily, the issue is that state enterprises become real entrepreneurs. Our managers have learned to produce in large ranges and manage to increase the increments year after year. However, the pursuit of quantity weakened interest in high quality and hindered innovative activity. Monopolistic producers have the guarantee that they will sell everything. They can afford to constantly produce the same things at an unchanged technical level, because they are not even obliged to contend with foreign competition. All this enables them to fulfill the plan, regardless of the slow pace of scientific and technical progress. And herein lies the main reason why we are lagging behind in this sphere.

However, the most difficult legacy of the past lies in the insufficient care taken to market products. In order to fulfill the plan, it was always enough to produce—whether for a customer, for stock, or even for scrap, this did not much interest the producers. Today, under conditions of economic accountability and self-financing, the enterprise must have financial resources for the sale of its finished products. This requires that they know not only how to manufacture well, but that they also know the needs of the domestic and foreign market. It is necessary to know how to conduct business successfully, to find suitable markets, and to manage to sell at reasonable prices.

Being Cut Off From the World Is Costly

To be an entrepreneur means to produce with a profit. Once and for all, we must part ways with the possibility that loss-making enterprises can live well, and even invest, to the detriment of those that are better managed. We will have to find more effective mechanisms in the future so that this does not happen, but we will also have to find more decisive methods of improvement. But even individual enterprises have to prepare for more demanding tasks more quickly. We are receiving warnings from employees that nothing is happening at their enterprise, that everything is carrying on in the old manner, and that they do not sense any change. A warning signal is the low level of trust that workers in factories have in their superiors, and their skeptical assessment of the economic organizations' readiness to work under conditions of greater independence. However, there are also positive examples. The correct way of proceeding is shown by these enterprises which are not waiting for anything and which, in their own interest, are themselves going over to the new system of management within the enterprise, implementing economic accountability, and reducing bureaucracy.

One of the weakest elements of the enterprise sphere is its isolation, its detachment from the conditions of the world market. As a consequence of various circumstances, the practice was established of producing and devising everything ourselves, of being as self-sufficient as possible, and being dependent on no one. No one had taken into account the price, how much extra this will cost, and what kind of losses it will bring. In advanced countries such behavior is not possible, because it is uneconomical and would lead to the collapse of companies. On the contrary, leading world companies only manufacture themselves those things which it is advantageous for them to manufacture. Everything else—materials, components, and parts—is provided for them by the method that suits them best, by various forms of cooperative ties within a national and international framework.

Meanwhile, in our country cooperative ties are understood in overwhelmingly organizational terms. World primacy in the average size of enterprises according to the number of employees bears this out. Even the course of restructuring the economic structures has not changed anything in the interim, in a number of respects it is rather the opposite. Giantism, the habit of producing huge units, is at variance with world trends. It leads to high overheads and heavy-handed adjustment to the demands of customers. Smaller enterprises have more flexible and cheaper management, they bring about innovative changes more quickly, and adapt more flexibly to demand. Now it appears that we will have to return to some decisions and change those things that were ill-considered. I would like to say sincerely that it is not a disaster to have to correct something. But it would be a serious mistake to hide behind resolutions, to excuse shortcomings, and to fend off justified criticism.

During my two visits to the Soviet Union—and during discussions in the GDR—I became convinced about the need to broadly develop direct ties at the enterprise level. We are convinced that this is a correct and bilaterally beneficial road. We are creating the necessary legal, organizational, and economic conditions for this. We are not setting out the forms, contents, or even volume of mutual collaboration. We are concerned that it be expedient, informal, and voluntary and that it bring benefit to the states and appropriate enterprises. This cooperation can have a very diverse form—from the founding of joint enterprises to specialization, cooperation in third markets, joint research and development, and so on.

We are even opening up broad scope for cooperation with enterprises in advanced capitalist states. This is the way for us to acquire modern technology, hard-currency resources, marketing possibilities, and organizational experience. We are also supporting cooperation with developing countries.

The complexity of our economic situation lies in the fact that beside the barely effective production programs, which we are subsidising and whose products we are selling with difficulty, on the other hand we lack capacities for the production of interesting goods. In our country there are products in which the world is interested and which could be of considerable value to us. Unfortunately, for various reasons—objective and subjective—the appropriate enterprises are not capable of increasing their production. At the present time, considerable engineering and other capacities are being released to us in connection with the limitation of military technology. In searching for replacement programs, this affords us an exceptional opportunity to resolve these long-term problems. But its utilization will be decided by the ability of managing cadres to make strategic decisions on the basis of a thorough knowledge of world trends, and to find and make use of their niche in the international division of labor. More than once I have been convinced that in many enterprises a long-term forecast, systematic market research, and the readiness to introduce new production programs are missing.

Competitiveness Without Formal Reporting

I would like to make a few remarks about the approaches in the expansion and effective utilization of initiative from below. Much has been said, organized, and evaluated concerning these issues over the past decades. As far as the number of established undertakings, movements, and competitions is concerned, it would seem that everything is in order. Their contribution has been considerable, and also here we have something to build on. But in the sphere of the working initiative, bureaucracy and the pursuit of figures has caused much harm. Competition frequently compensated for weaknesses in the plans and direct management. Does that perhaps mean that today we no longer require competition and initiative? The exact opposite is the truth. However, we will get by without formal reporting and without confusing work obligations with solemn pledges.

The new economic mechanism assumes and demands competitiveness. Greater independence and the removal of bureaucratic barriers and harmful manifestations of monopolistic attitudes are creating space for this. Today we are placing in the pole position the social direction of the economy and the consistent orientation of production toward meeting the needs of the people. We want to reverse the relationship between supplier and consumer, so that the customer is king, and not the producer. The independence of the enterprises and the development of various forms of enterprise will lead to competition in gaining markets and in gaining ground in the market by providing better terms and broader and more suitable supply. The assertion of the best will create strong motivation and pressure for the greater activity of the average. We do not agree with opinions that growing differentiation will harm someone. Those lagging behind will have to try harder, that is true. But this is correct and in complete harmony with the principle of merit.

It is generally well-known that our economic potential is vast. This is borne out by the fact that, with regard to a number of vital raw materials and products per capita, we belong among the world leaders. Earlier, during the period of extensive development and overestimation of quantitative indicators, this was unjustifiably seen as the great superiority of our national economy. Today we evaluate these facts realistically. Rightly, the people are asking: Why are we incapable of the necessary level of supplies even our own internal market, why are we also lagging behind in such traditional virtues as the level of health care, education, the quality of social services, and other things? The reason is the insufficient ability to obtain the necessary effect from the results of the work of 8 million employed citizens, from an extensive industry, and from our advanced agriculture. In connection with the restructuring of the economic mechanism, we are looking for ways and means of changing this poor situation. This is no simple matter. Before the end of the year, it will even be necessary to prepare more than 30 new laws. Recently we discussed a bill on national economic planning, on budgetary rules, on the state bank and on the Czechoslovak State Railroad, on currency economy, and several others things.

The Urgency of Structural Changes

We are beginning preparations for the Ninth 5-Year Plan. In doing so we are implementing principles of the new economic mechanism. However, we know very well that we will not improve in principle the economic situation by changing the system of management alone. Along with this, we will also implement the fundamental structural restructuring of our economy. We regard this issue as a key element in coping with the tasks of the first half of the 1990's and in the successful transition to the third millennium.

What is the purpose of these structural changes and what will their contents be? This will involve a far-reaching intervention which in many ways can aid the improvement of economic efficiency. However, at the same time, especially at the start, it will require many resources. Neither the creation of new lines of business nor even the abolition of obsolete production lines is free of charge. The requalification of people will also cost money. The expended resources will be returned to us. How quickly and to what level will depend on the well-thought-out course of action of the whole of the managerial sphere and on the united approach of the center and the enterprises.

The structural changes will take place practically at all levels. Primarily we have to alter the proportions between the basic national economic spheres. The share of the tertiary sphere, of services of all kinds, including the development of tourism and spas, will be substantially increased. We will strengthen the processing industry at the expense of heavy industry. Also within individual branches—particularly in metallurgy, engineering, electronics, and chemicals—development and the phasing out of processes will take place. On the basis of concentrating the efforts of the scientific and technical base on selected sectors, the proportion of the most progressive lines and products will increase.

A serious problem confronts us: what to limit and what, on the contrary, to favor in imports and exports, so that we better utilize the possibilities of foreign trade to increase the efficiency of the national economy.

International comparison shows that in the national economy we have at least one million people who are surplus to its efficiency, while in services we lack approximately the same number. In addition, a million bureaucratic employees is an expensive luxury in a country of our size. Although these are rough estimates, this situation is a serious indictment of the consequences of the administrative command system of management. Contemplation of these facts gives us the answer why, with such a high rate of employment, there are long-term problems in our country with regard to hiring a labor force, utilizing working time, and low productivity.

We are preferentially directing structural policy toward those long neglected spheres in which—as they say—we missed the boat in the 1970's. We are orienting ourselves preferentially toward a more energy- and material-efficient and ecologically purer economy. In the ecological sphere we have already taken the first steps to make amends. We are aiming for close cooperation with the states of the central European region and we are preparing a consultation on this at the level of heads of governments of neighboring states. We are giving preference to projects dealing with the protection of water and the atmosphere. We are considering setting up engineering for environmental protection. We have made decisions on converting Prague and the North Bohemia region to gas. In these most threatened areas we will reduce the burning of coal, we will make provisions for the central production and delivery of heat, and we will gradually introduce the desulfurization of the combustible products from large power station units.

From all of this can be seen what complicated and far-reaching decisions are involved, and how deeply they will affect current manufacturing structures and the life of the working collective. It is true that a decision on these unpopular matters has been put off for a long time.

However, today there is no time to hang around and wait and see. The later we get started on it, the more expensive and difficult it will be. We will not make these interventions without the people. On the contrary, we want to inform the public about them in detail in a report on the economic situation which we will submit to the Federal Assembly in June of this year.

Preventing Inflationary Development

The principle of the economic policy outlined by the CPCZ is to achieve an improvement in the economic balance in the shortest possible time. Only then can the economic mechanism begin to operate effectively and bring positive results. Under conditions of imbalance, changes in management and planning are more difficult and more of a risk, especially due to the fact that the achieved social guarantees are threatened. We want to avoid this to the greatest possible extent. Therefore, we regard the prevention of inflationary development as the main issue. It is not true that this is a necessary consequence of the transition from bureaucratic management to economic management. However, we must come to terms with a number of profound manifestations of economic imbalance.

The volume of goods on the market is lower than demand, and for these reasons we have a number of types of goods in short supply. There is a lot of money among the people—whether in savings banks or at home—which represents a delayed demand, the impossibility of purchasing required goods, especially of consumer durables.

In the past, the advantages of stabilizing prices with the help of subsidies was unilaterally emphasized. Today these subsidies already amount to about Kcs90 billion; two-thirds of this amount are subsidies for foodstuffs. For instance, the subsidy for 1 liter of full-fat milk is Kcs2.22, and for 1 kilogram of butter Kcs29.91; the subsidies for meat and other products are also high. For economic reasons, we cannot increase them any further. Can it be considered right that some people obtain unjustified advantages, and that the low prices of some foodstuffs lead to a lack of thrift? Would it not be far more expedient to apply other, different methods in our future social policy? From this viewpoint it will be necessary, for instance, to reappraise the amounts paid out for rents, transport rates, and other dues. It is essential to clear up many things in our policy of granting subsidies.

Many people believe that our balanced state budget testifies to a lack of problems in the state's financial economy. This is not quite true. It is becoming increasingly clear that the policy of increasing budgeted expenditures that are not covered by material resources leads to serious problems.

For a number of years our state expenditures have been higher than our revenues. Why? Because we are investing far too much both at home and abroad, and with scant economic effect. We have even been handing out long-term loans without proper guarantees that they would be paid back in due time.

In keeping with its policy statement, the government is determined to energetically oppose any intensification of the negative trends in our financial economy. We are now limiting the amounts set apart in the budget for investments, and we will reduce them even more in the future. Part of restricting the budgeted expenditures will be to cut down the resources for defense and for state administration. The decision to implement consolidation programs testifies that we are taking the path of gradually overcoming financial loss-making in enterprises. Likewise, loans will be granted solely for development, they will not be granted to cover up lapses due to bad economic management. This tightening up is often the subject of unjustified criticism; people say that our practices resemble those used in the past by "inland revenue officials." Still, we will not be able to avoid strict financial economy. We consider it basic to consistently apply the principle that, in financing one's measures, it is necessary to specify where the resources will come from and to cut down expenditures for other purposes. We adhere to the principle that the growth of the population's monetary incomes must correspond to the increased production of consumer goods and the expansion of services. We are meeting halfway the people's wish to become more involved in resolving the housing problem and in providing for an improvement in housing conditions. For this purpose, the government has decided to substantially expand the sales of apartments to private persons. We have also raised to Kcs150,000 the state subsidy enabling young married couples to build family homes.

The government considers it most important to introduce order in the wages policy. We cannot afford to pay out wages which have not been earned or remunerations that lack an appropriate economic basis. We are also counting on simplifying and limiting the granting of preferential wages, and on using the means far more effectively. Like remunerations, preferential wages have become a regular, almost obligatory part of normal wages and our organizations have been paying them out to almost every employee without corresponding performance on his part. Last year we also noted some serious violations of financial and wage discipline. At its session the government dealt with the wrong course taken by enterprises, organizations, and unified cooperative farms which, contrary to the resolution, have paid out many millions of korunas to their executive staff and other employees in advance of the set date. In order to comply with the conditions for receiving the remunerations, some even fell so low as to falsify records and pretend to reduce their stocks. I do not want to mention any names here, although we all know them. We regard these things as a most serious violation of state discipline, and we will draw appropriate conclusions from this.

We want to simplify the wage regulations even further and create a situation in which every worker will be able to figure out precisely what he has earned that day, without waiting to see what his payslip will say in a month's time. In our wage policy we will eliminate the camouflaging of responsibility borne by the center and by enterprises. On an enterprise level, remunerations must become the directors' primary responsibility, and wages must correspond to achieved production and the volume of work accomplished.

Democratization is Now Reaching the Workplaces

Our party and state agencies are facing a number of important decisions which concern the basic interests of the entire society. It is impossible to work out or implement a policy that is not based on views held by the broadest public strata, one that does not express their interests or that fails to become their own concern.

The need for a comprehensive democratization of life in our society makes it essential to revive the people's idea that they alone are the masters of this country. Only a picture of the constructive restructuring goals can restore to the working man his confidence in being the true creator of history and imbue our present with a revolutionary pathos. There is no other way to enhance responsibility for the fate of our fatherland than by increasing real involvement in its management. If democratization is meant to mobilize the people's initiative and creative potential, it must be applied to quite specific processes in production and society.

The democratization of our society is gradually reaching our workplaces. Some people can even be said to believe that the elections of directors are the essential feature of restructuring. Production democracy is a tool for raising the efficiency of our economy. Today people often discuss how far it can go, and where demagogy, anarchy, and liberalism begin. The basic criterion is that socialist democracy shapes, meets, and protects the working man's interests. We must create good political and organizational prerequisites for responsibly training and selecting people for the various offices and informally introducing them into office. The main thing is that the working people's collectives must elect demanding directors who know how to use the laws governing the economy for the benefit of their enterprises, but also of society as a whole. The experience acquired in implementing the law on state enterprises indicates that a new political culture has not yet sufficiently crystallized for it to be able to combine directors' elections with increasing demands on the working man and the cadres. The inadequate preparation of meetings, many people traveling from place to place, and difficulties in providing large working collectives of 10,000 people and more, sometimes from several regions, with the right orientation in the matter of proposed candidates for the office of director have all shown us the initial difficulties with which we have to cope. In many places the electoral procedures have been made even more complicated, contrary to instructions. In some cases, repeated voting did not help to unify the people. The considerable expenditures defrayed from the working people's funds are often criticized. Would it not be expedient to try to elect the directors directly in workplaces by using voting cards for every employee working there, instead of by resorting to a lengthy selection of voters meant to serve as voting agents? We must repeatedly revert to the experience acquired, support everything that has proved right, and eliminate everything that has proved unnecessary.

In the interest of democratization, we must consistently activate the National Front, expand the enterprising activities of its organizations and individual members, avoid becoming isolated within organizational schemes, and make increasing use of the method of open dialogue. Recent by-elections to our legislative bodies have shown us the viability of selecting from among several candidates, and even the essential need for this. This was proved not only by the people's increased interest in elections, but also by a more responsible choice of candidates. Of course, we will not idealize the by-election results, a lot still has to be improved here. Above all, our people must realize that through their deputy they can directly participate not only in legislative activities, but also in controlling the use of state power. The more capable their elected deputy is and the more actively they cooperate with him during his term of office, the greater their share in the creation and implementation of our state policy.

Today our citizens want to be able to democratically decide on important national and local issues, to have a share in decisions. For instance, what is preventing us from making more frequent use of public discussions on significant national measures, from publishing a variety of views on proposed laws in the pages of our press or from making them public on television and the radio, from allowing people to voice their stands, even though they are opposed to ours. By conferring with the people more than to date and by winning them over to our goals in everyday life, we will prevent the assertion of views aimed at directing our restructuring to paths lying outside the framework of our socialist system. But the impact and plausibility of our policy must be stronger. This is sometimes complicated, it calls for our being courageous and knowledgable, but also deeply, profoundly convinced of our true cause, and for our combining tactical flexibility with strategic rigidity. In mastering these revolutionary tasks we rely on the Communists' energetic activity and on the valuable experience acquired in political struggles after May 1946, February 1949, and other periods of building socialism.

The program of socialist restructuring has emerged on the initiative of the party and under its leadership. Party agencies and organizations and individual party members are gradually beginning to change their way of thinking and their working methods, providing a telling example, model, and support for our entire society. The party's revolutionary strength lies in its ability to understand the people's needs and interests far better than others, in its speedier reaction to social changes, in its more energetic enforcement of all that is progressive. In this way it wins the people's confidence and acquires authority. This is the road toward successfully preparing the 18th CPCZ Congress, toward creating good prerequisites for our country's entry into the nineties—in the Jihlava District, in the South Moravian Region, and throughout our fatherland.

Farewell Held for Departing USSR Tank Division

LD1705120189 East Berlin ADN International Service in German 1134 GMT 17 May 89

[Text] Jueterbog (ADN)—There was a farewell meeting in Jueterbog Wednesday for the members of the 32d Soviet tank division, which are returning home. The people of the town thanked the tank soldiers for their loyal military execution of duty for the protection of peace and socialism. The division earned fame in the struggle against Hitlerite fascism and is one of the best of the Soviet forces in the GDR. Within the framework of the USSR's unilateral disarmament initiative, announced at the United Nations by Mikhail Gorbachev, the 25th and 32d tank divisions, two independent tank regiments, and independent battalions will be transferred to the Soviet Union by August of this year.

The troop withdrawal was attended, among others, by Professor Stefan Dornberg, president of the GDR Committee for European Security and Cooperation; Lieutenant General Horst Zander, deputy chief of the land forces of the National People's Army; and Army General Boris Snetkov, commander-in-chief of the Group of Soviet Forces in Germany.

Ethiopia's President Mengistu Concludes Visit

Honecker Pledges Support

LD1705110489 Addis Ababa Domestic Service in Amharic 0930 GMT 17 May 89

[Text] Comrade President Mengistu Haile Mariam is continuing his visit to the GDR. Asefa Seyoum, the ENA palace reporter, sent us this report a few minutes ago by telephone.

[Asefa] Comrade President Mengistu Haile Mariam, continuing his friendly working visit to the GDR, today met the country's leader, Comrade Erich Honecker, and held official and private talks. The two leaders exchanged views on bilateral and international issues.

Comrade Erich Honecker said that his country is prepared more than ever before to further strengthen relations between the two friendly countries. He reaffirmed that his country will stand alongside the revolution of the broad masses of Ethiopia, which will score [word indistinct] victory, and in particular the leadership of Comrade President Haile Mariam.

Also this morning, Comrade President Mengistu Haile Mariam laid a wreath at the monument in Berlin to the GDR comrades who fell fighting against fascism. During the occasion, the national anthems of the two countries were played.

Talks Called 'Trusting Exchange'

LD1705151189 East Berlin ADN International Service in German 1440 GMT 17 May 89

[Text] Berlin (ADN)—Erich Honecker, general secretary of the Socialist Unity Party of Germany [SED] Central Committee and chairman of the GDR Council of State, and Mengistu Haile Mariam, secretary general of the Central Committee of the Workers' Party of Ethiopia [WPE], president of the People's Democratic Republic of Ethiopia, and commander-in-chief of the revolutionary army, met today for a friendly discussion at Council of State headquarters. At the beginning they expressed their satisfaction over the fact that their meeting once more offered the opportunity to continue the long-standing, trusting exchange of thoughts and experiences. The visit by Mengistu Haile Mariam to the GDR is a high point in the traditionally close relations between the two parties, states, and peoples.

The two officials expressed their conviction that a new impetus for the further consolidation and deepening of relations would emanate for their talks, which are taking place in this the 10th year of the successful implementation of the Treaty on Friendship and Cooperation between the two countries.

During the detailed exchange of information and opinion, Erich Honecker and Mengistu Haile Mariam dealt with questions of social development in their countries and with topical international problems.

After the detailed exchange of information and opinion with Erich Honecker, Mengistu Haile Mariam ended his visit to the GDR because of the situation in the People's Democratic Republic of Ethiopia, and left Berlin. He and his entourage were seen off warmly at Berlin-Schoenefeld Airport by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, and other leading GDR personalities.

Leaders' Conversation Detailed

LD1705221489 East Berlin ADN International Service in German 1711 GMT 17 May 89

[Text] Berlin (ADN)—Erich Honecker, general secretary of the Socialist Unity Party of Germany [SED] Central Committee and chairman of the GDR Council of State, and Mengistu Haile Mariam, general secretary of the Central Committee of the Workers Party of Ethiopia [WPE], president of the People's Democratic Republic of Ethiopia [PDRE] and commander in chief of the revolutionary army, met today at the official seat of the State Council for further friendly talks.

At the start of the talks they expressed their satisfaction that their meeting offers the opportunity of continuing the many years of trusting exchanges of ideas and experiences. The two sides emphasized that the visit to the GDR by Mengistu Haile Miriam represents a high-point in the traditionally close relations between the two parties, states, and people. Both officials said they were convinced that their talks, which are taking place in the 10th year of the successful implementation of the bilateral Treaty of Friendship and Cooperation, will give new momentum for further strengthening and deepening relations.

During the detailed exchange of information and views, Erich Honecker and Mengistu Haile Mariam also discussed questions related to social development in their countries and current international problems.

In his remarks, Erich Honecker noted that far-reaching changes are now taking place in international relations. Despite all the resistance, progress can be made in reducing the danger of war. A change from confrontation to detente can be introduced. This is reflected in the beginning of nuclear disarmament—the elimination of Soviet and U.S. medium-range missiles and the start of negotiations in Vienna on conventional disarmament and on further confidence- and security-building measures in Europe. Processes to eliminate regional conflicts by political means, for example in southwest Africa, have been put in action, albeit with some disruption.

Nevertheless, the situation remains complex and contradictory, said the general secretary of the SED Central Committee. Aggressive NATO circles adhere to old doctrines of nuclear deterrence and the quest for superiority. By means of modernizing tactical nuclear missiles they want to undermine the positive results of the INF Treaty and strengthen their nuclear potential. This fills the GDR with concern. It is thus the paramount task of all forces of peace, reason, and realism to carry out further disarmament and detente steps in concerted action. A pause in the disarmament process must not be tolerated.

Erich Honecker pointed out that the GDR, the USSR, and their allies are undertaking wide-ranging initiatives and are making unilateral prior concessions to contribute constructively to preserving peace in the world and thus the existence of mankind. With the proposal to the NATO member-states to start separate negotiations on tactical nuclear weapons in Europe and the USSR's decision to unilaterally withdraw 500 nuclear warheads already in 1989, the socialist defense alliance has augmented its negotiating offers on the disarmament of all weapons types by an important element. The GDR supports this new initiative and welcomes the readiness of the Soviet Union to withdraw all nuclear munitions from the Warsaw Pact countries by 1991 if the United States acts in a similar manner on European territory. As long as tactical nuclear weapons remain in Europe, the danger of a surprise attack and the unleashing of a totally destructive nuclear conflict will continue to exist. A corresponding attitude by NATO and concrete political decisions are the dictates of the hour, the GDR head of state emphasized. Compensation and modernization should not be an issue, but steps which advance the disarmament process. The USSR's latest proposal to radically reduce the armaments of the two alliances and lower the strength of their armed forces by more than a million men by 1996-97 is in line with this. The foremost tasks remain the speediest possible conclusion of a treaty between the USSR and United States on a 50-percent reduction of their strategic offensive weapons while adhering to the ABM Treaty in the form in which it was signed in 1972, a comprehensive nuclear weapons test ban, and the conclusion of a convention on the elimination of chemical weapons.

Since its founding the GDR has been fulfilling its anti-fascist legacy, doing everything to ensure that only peace—and never again war—emanates from German soil, Erich Honecker continued. In this spirit, it has proposed measures for increasing security in central Europe and has promoted the reaching of the Soviet-U.S. treaty on the elimination of medium-range missiles. In the Vienna negotiations, the GDR is pursuing the aim of reaching agreement on a lower level of armed forces and all relevant categories of arms. Erich Honecker pointed out that the GDR began unilaterally reducing armed forces and arms expenditure as early as April.

The two sides agreed that the triumph of peace over war is the most important precondition for allowing the peoples to advance along their chosen path of social progress. Only in peace can global problems such as hunger, economic backwardness, endangerment of the environment, and natural catastrophies—which Ethiopia also has to contend with—be overcome effectively and lastingly. There was agreement that an indivisible connection exists between the preservation of world peace, the elimination of regional conflicts, and the stabilization of the political and economic situation in Africa.

The GDR State Council chairman praised the OAU's work to resolve these questions, which are so decisive for the fate of mankind.

The GDR is guided by the fact that in the modern era, conflicts and contentious issues can only be resolved peacefully and by means of negotiations. Erich Honecker welcomed the conclusion of the agreement between Ethiopia and Somalia on the normalization of relations. It shows that longstanding, seemingly unbridgable contradictions can be resolved if the political will for this exists on all sides.

Erich Honecker praised Ethiopia's active contribution to establishing trust and good-neighborliness in the Horn of Africa. All the efforts to continue the detente process, which were introduced to give it a permanent character, are supported by the GDR, he confirmed.

Referring to the agreements on southwest Africa, Erich Honecker noted that they are an important contribution to strengthening positive trends in international relations. The settlement of the conflict creates more favorable conditions for defusing the tensions in southern Africa, opens the way to the independence of Namibia, and ends South Africa's direct military aggression against Angola. The peace process could, however, be successful only if all sides strictly adhere to the letter and spirit of the commitments undertaken.

All attempts to sabotage the path to freedom of the Namibian people must be foiled with the strength of the international community, said Erich Honecker. The main issue in achieving stable peace in the region remains the earliest possible overcoming of apartheid. The GDR regards itself as being allied as closely with the ANC [African National Congress] and the broad anti-apartheid movement in the struggle for a democratic, unified, and nonracist South Africa as with the struggle for independence of the Namibian people and the SWAPO [South-West African People's Organization] liberation organization.

Erich Honecker then said that the GDR observes with great interest the developments in the PDRE, celebrating the 15th anniversary of the victory of the revolution in September. The overthrow of the emperor, elimination of feudal conditions, land reform, nationalization of major enterprises, and many other measures were preconditions for allowing the Ethiopian people to reap the fruits of their labors for the first time. The GDR followed with sympathy the way in which, under the leadership of the WPE, a people's democratic order was being established in the PDRE, despite great difficulties and obstacles. People in the GDR knew from their own experiences what great efforts, patience, and steadfastness is required in the building of a new society. What has been created in Ethiopia for the benefit of the Ethiopian people is valued all the more in the GDR. The successes in the elimination of illiteracy and in improvement of the health care of the population speak for themselves. Much of importance has been achieved in overcoming the effects of the drought, which had repeatedly affected the country in the past few years.

Referring to the information supplied by Mengistu Haile Mariam on efforts to resolve the situation which has arisen in northern Ethiopia, Erich Honecker noted that an early restoration of domestic peace is an important precondition for further economic and social progress.

With its assistance in the training of national cadres, combating the effects of the drought, medical care for resettlers, building of industrial installations and the delivery of modern technology, in particular for agriculture and the transport system, the GDR is contributing to the shaping of the foundations of a new Ethiopia, said Erich Honecker. He confirmed that the GDR people, true to their internationalist duty, would continue to stand at the side of the Ethiopian people and remain a reliable friend, and wished it further successes in continuing the national democratic revolution.

Mengistu Haile Mariam expressed his deep gratitude for the GDR's firm solidarity with the Ethiopian people and its revolution. It is a clear reflection and confirmation of the close, warm relations existing between the parties, governments, and peoples of the two countries.

The Ethiopian guest expressed his great respect for the unconstrained and comprehensive cooperation and support given to his country by the SED, and the government and people of the GDR. Since the beginning of the revolution, they have stood firmly at the side of the Ethiopian people in the efforts to consolidate the Ethiopian revolution and the further development of the country.

It could be noted with great gratification and satisfaction that these productive relations, which were based on shared goals and similar views, have been further advanced and deepened on a daily basis in particular after the signing of the Treaty of Friendship and Cooperation between the two states and the agreements on cooperation between the two parties. All this testifies to the continually expanding relations between the PDRE and GDR in all spheres. Mengistu Haile Mariam underlined in this connection the firm determination of the party, government, and people of Ethiopia to ensure that these wide-ranging relations continue to be strengthened and consolidated.

The Ethiopian party and state leader expressed a high opinion of the successful development of the GDR. Such significant events as the fighting demonstrations of the working people on 1 May, the local elections, and the Whitsun meeting of the FDJ [Free German Youth] were followed in his country with great attention. He congratulated Erich Honecker on the outstanding attitude of youth in the GDR.

Mengistu Haile Mariam pointed out that in a few months it is the 2d anniversary of the day on which the Ethiopian people constructed, amid great sacrifice, the PDRE in which it is possible for the people to assume direct state power. During this period various measures were taken at differing levels to smooth the path for the Ethiopian people to exercise direct political power effectively and unhindered.

The Ethiopian politician pointed out that the ninth plenum of the WPE Central Committee which took place from 7 to 11 November 1988, deeply analyzed the development efforts over the past 5 years and worked out important strategies for future action in this area. Among the most important current priority tasks are the preparations for the second party congress, which will be called in a few months. Alongside the preparations for calling the party congress, the next 5-year plan is also being worked out for the socioeconomic development of the country.

Mengistu Haile Mariam further noted that the measures taken in varying areas to overcome the social and economic difficulties and to improve the living standard of the people have brought forth encouraging results. The machinations of elements hostile to the revolution, which pursued the aim of destroying these constructive efforts, cannot however be underestimated. Although it would have been better to dedicate all attention and resources to development and construction, we were forced as a result of these machinations to deploy a large part of our resources to defend the unity and territorial integrity of the country and to secure the revolution.

In agreement with its foreign policy aims, Ethiopia is continuing its efforts untiringly, Mengistu Haile Mariam stressed, to consolidate its close relations with socialist countries and progressive democratic forces in the world and to promote good relations with its neighbors and other countries near and far on the basis of mutually advantageous relations of friendship, cooperation, and respect.

The Ethiopian guest continued, saying it is known that Ethiopia and Somalia have adopted measures to eliminate elements of misunderstanding and to improve their relations. Ethiopia will not hesitate to undertake greater efforts in order to reliably and lastingly shape this beginning and to guarantee that the relations are carried over into the next stage of cooperation. With regard to relations with Sudan, he expressed his firm wish that the bilateral talks now taking place will lead to a revival of relations in the spirit of good-neighborliness and brotherhood. He expressed his confidence that the efforts of his country to strengthen peace, security, and cooperation between the peoples in the region will bear fruit.

With reference to the present situation in Africa, the question of the independence of Namibia requires special attention, Mengistu Haile Mariam noted. Although encouraging and constructive steps have been and are being undertaken to achieve Namibian independence, the various obstacles which the facist regime in Pretoria is pushing forward in order to delay Namibia's independence should be viewed with extreme seriousness. Ethiopia has defended for a long time the right of the Namibian people to independence and has repeatedly spoken in support of it at international forums. Ethiopia has also given as much help to the heroic people of Namibia as it possibly could. As a member of the UN Security Council, Ethiopia will continue its efforts so that the people of Namibia achieve true independence.

All peace-loving peoples everywhere in the world are called on to strengthen their efforts so that the entire African Continent achieves its complete independence, and in particular so that the people in southern Africa achieve victory in their present struggle against oppression, the Ethiopian head of state continued. Other pressing problems plaguing the people of Africa today and demanding special attention are problems caused by colonialism and neo- colonialism, catastrophes caused by man or nature, and economic dilemmas made worse by growing foreign debts. The struggle to change this situation and to replace it with a just international economic order should be continued with more energy. The efforts of the peoples of Africa directed to this end should find full support and solidarity from the international community.

With reference to the present international situation, the insight and recognition that world peace and international security are of outstanding significance are growing—a process which encourages us, the Ethiopian guest underlined. His country supports wholeheartedly the agreements concluded between the two great powers and the understanding achieved between them, as well as their role in the elimination of the danger of a nuclear war and in the promotion of peace throughout the world, aims which correspond to the Ethiopian peace policy.

The WPE and the government and people of the country stand full of admiration behind the multifaceted constructive proposals which the GDR and the other socialist states have set out in order to advance world peace and international security, as well as behind all the concrete measures taken in this connection.

Ethiopia supports wholeheartedly the efforts by the GDR to strengthen peace in the world, to promote interstate understanding and mutual respect, and to bring about the complete elimination of racism, colonialism, and neocolonialism.

With a view to bilateral relations, Mengistu Haile Mariam noted a gratifying state of cooperation in all areas and expressed again his thanks to the SED, the government and people of the GDR, as well as to Erich Honecker personally, for all the help and support which his country has constantly granted.

After the comprehensive exchange of information and opinion with Erich Honecker, Mengistu Haile Mariam concluded his visit to the GDR. He and his entourage were warmly bidden farewell at Berlin-Schoenefeld Airport by Erich Honecker, general secretary of the Central Committee of the SED and chairman of the GDR Council of State; Hoist Dohlus, member of the Politburo and secretary of the Central Committee of the SED and by other leading public figures of the GDR.

Honecker Delivers Speech at Youth Meeting

AU1805081689 East Berlin NEUES DEUTSCHLAND in German 16 May 89 p 5

[Report on address by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, at a meeting with Free German Youth representatives in Berlin on 13 May: "Where We Get the Optimism To Say That the Future Will Be Socialist"]

[Text] We certainly agree, Erich Honecker said when he took the floor at the end of the meeting, that the exchange of ideas during the past few hours has been very stimulating for our further joint activities in shaping the developed socialist society in the GDR. This exchange of opinions has once again shown the close ties between the party and the young people. It also shows that the policy of the Socialist Unity Party of Germany [SED] is strongly supported by the young people, and even deserves the strong support of the young people, he said.

Subsequently, Erich Honecker spoke about the time when he was 17, the same age as many in this hall now: At that time I set out to study in Moscow and Leningrad according to the assignment of our party. Of course, nobody knew about this in his home town, for if it had become public, he said, he would not have been able to address this meeting here tonight.

October 1917: A New Epoch In the History of Mankind Began

What was decisive for me at the age of 17, the general secretary continued, was that during that journey to Moscow, which looked different at the time compared to now, it was not so much the fact that I would study there, but that I would get to know the country which in 1917 witnessed the victory of the revolution, a revolution that initiated a new epoch in the history of mankind.

The revolution initiated a new epoch in the history of mankind because a regime of exploiters was brought down and the czar was driven out, because the decree on peace was the first decree of the young Soviet power. This had a very strong impact on the events of World War I, whose end was sealed by the November Revolution in 1918.

Now I was to see this country, Erich Honecker recalled, and I would like to tell you that the Komsomol members, under relatively difficult conditions compared to today's, were about to enthusiastically fulfill the first USSR 5-year plan in 4 years. The Moscow enterprise in which I worked as a welder for a short time, even though I was a roofer by profession, set itself the task of fulfilling this plan in 2 and ½ years. They did it. This great socialist construction work signified the foundation for the industrialization of the USSR, of course with the objective of building a new future in peace for the Soviet people. It became obvious that this industrialization was necessary for the victory of the Soviet people in the Great Patriotic War.

He will never forget the times in which, under extremely difficult conditions and surrounded by hostile countries, the Soviet power fulfilled its task by implementing a policy that had abolished the exploitation of man by man.

I was asked here, said Erich Honecker, referring to a remark that was made, where I get the optimism to say that the future will not be capitalist but socialist. This of course requires a profound study of the teachings of Marx, Engels, and Lenin, whose basic theses are still valid today. For example, one has to study the book by Engels on the origin of the family, private ownership, and the state.

Even in Times of Economic Prosperity, High Unemployment in Capitalism

Based on facts, this book shows that history is the history of class struggles, which was noted by Marx and Engels in the "Communist Manifesto" as early as 1848. From the times of the first beginnings of Communism to this day, history has indeed always been the history of class struggles. This will be the same in the future even though now, as then, there are prophets who claim the contrary.

The great French Revolution abolished feudalism 200 years ago under the motto "liberty, equality, fraternity". Then the haute bourgeoisie and the capitalists exercised power freely and openly. The motto of the revolution was firmly established within the people, who decisively contributed to carrying out the revolutionary restructuring in France. Of course, the French Revolution had a great impact on the further course of events. For all Western German-speaking territories it meant a great stimulus in their struggle for civil liberties. Feudalism, corvee, and the droit du seigner of estate owners had long held sway in the German states of that time. All this was smashed in several German states with a single blow.

The great French Revolution naturally won the upper hand according to the law of development of human society on the basis of private ownership of the means of production. At the same time, the private ownership of production means produced the gravedigger of capitalism, namely the proletariat, which created the wealth that was primarily used by the bourgeois to develop their lives, Honecker said.

Marx and Engels proved that at one point the development of the productive forces of capitalism will reach their limit and that, in this context, a revolutionary development will occur which will lead to the downfall of capitalism and the abolition of private ownership of the means of production, and by which the wealth of society will be liberated for those who create this wealth. He did not want to elaborate on this, Erich Honecker noted, because: You probably know this much better, because you were born into socialism and because you are lucky to be able to really study these questions.

The revolutionary future road is particularly important in our time, because there are some people who think that the world will remain where it stands today.

Under today's conditions of our struggle for peace, socialism has developed not only in the countries of socialism themselves; the workers class is also struggling to improve its living conditions in the capitalist countries. The Free German Youth [FDJ] member who has come to this meeting from Managua informed us about how difficult the conditions are for the Sandinist revolution in that country. There is high unemployment in the FRG, one of the most powerful industrial nations of Europe. At the height of the world economic crisis there were almost 6 million unemployed in Germany. Today, mass unemployment is a characteristic feature of capitalist society, even in times of economic upswing. The chairman of the FRG Trade Union Federation recently said that at the moment the social situation in the FRG was such that the limits of what is possible in this society have been reached.

GDR's Progress Has a Great International Impact

This underlines the great importance of the development of our republic in the heart of Europe, the great importance of preparing the 12th SED Congress, and the initiative of the "GDR 40 FDJ pledge."

As was shown by the discussion, the good preparation of the party congress will be determined by work in the industry, the sectors of construction, transport, and agriculture, the defense of our achievements, and the guarantee of peace by the existence of our Armed Forces. One must not underestimate the great international impact of the development of our republic, Honecker said.

Fundamental changes have taken place in the world, which were also expressed by recognition of the GDR under international law. One can note that even in the FRG, where the existence of the GDR and its recognition has caused a lot of unpleasant feelings, a positive change has taken place in the attitude toward the GDR.

In this context, Erich Honecker made another excursion into history. In the Museum of German History there are documents from 1918 and posters about the "great Bolshevik danger." Drawing attention to the specter of bolshevism concentrated the counterrevolutionary forces at a time when the Spartacus Association had not even constituted itself into the Communist Party.

The victory of the Russian proletariat and the Russian peasants in the October Revolution was certainly a severe blow for the German bourgeoisie, who summoned all forces under the banner of anti-Bolshevism to suppress the revolutionary movement in Germany. Thus, the beginning of the November Revolution is also the origin of the increased activities of anti-Bolshevism. Under this banner the November Revolution was crushed.

Erich Honecker pointed to the Bavarian Republic of Councilors, the concentration of the Red Ruhr Army, which in a relatively short time was in control of the entire Ruhr region, the crushing of the first worker-peasant government in Saxony and Thuringia. Everything was done at that time to prevent the German proletariat from winning its struggle against the governing circles of monopoly capital and squirearchy. The consequence of this was the seizure of power by Hitler.

This development led to the catastrophe of World War II, the terrible events that frighten us even today. German fascism was so brutal and inhuman that it even sent children to the gas chambers. Dear friends, we must never forget this, Erich Honecker told the FDJ members. Never forgetting this is something that leads to the conclusion that our worker-peasant power has to be further strengthened and consolidated because, as a cornerstone of peace and socialism, the GDR is of enormous importance in maintaining the balance of power at the center of Europe.

"Now More Than Ever" Along the Road of Further Disarmament

Responding to another question that was raised in the discussion, namely on how the present international situation has to be assessed, the general secretary said that the most important thing is the solution of the main issue—securing peace, preventing a nuclear inferno, and securing the continued existence of mankind. The first agreement on disarmament in the nuclear sphere and on the removal of both Soviet and U.S. intermediate-range missiles has aroused great hopes. It will take some time to destroy these weapons to save mankind from harm.

On the basis of the success of these disarmament measures, there are nevertheless also considerable forces that are emerging and trying to prevent the continuation of the disarmament process and introduce a new process of arming under the slogan of "modernization." We must acknowledge this fact and adopt the slogan "now more than ever" to ensure that mankind forces the ruling circles of the West to follow the path of further disarmament. The process initiated by the joint declaration of Gorbachev and Reagan at their first summit meeting in Geneva must be made irreversible. There they noted that a war would bring about the destruction of all mankind, and that a war, either conventional or nuclear, would mean the end of human history.

Erich Honecker referred to the significant new disarmament initiative of the USSR which Mikhail Gorbachev put to the U.S. secretary of state in Moscow, and to the fact that Baker told the press after his talks: We have agreed that we are not in agreement. Erich Honecker said that the cause of the difficulties on the path to disarmament is that there are strong forces—not in the socialist world but in the capitalist world—that believe that further disarmament measures would shake the foundations of their existence.

Proposals were put forward in Moscow to reduce the Warsaw Pact armed forces by more than 1 million within a short time and to disarm them at the same time, if the United States and its allies are ready to do the same. NATO in Brussels, which has been briefed by Baker, said that this is only a small step forward. We are prepared to take this "small step," Erich Honecker stressed. However, apparently people there are not prepared to take this step with us. The Pentagon is exerting great pressure on the U.S. allies to agree to the demand for modernization of tactical missiles by all means.

On the basis of historical development, and on the basis of the balance of forces, there is every opportunity today to achieve the aim of securing peace. This is why it is important to continue to implement the slogan in the GDR: "My workplace is my battle station for peace." Of course, what is necessary is the further development of the socialist countries, their cooperation with each other and with the peace movements, the continuation of the dialogue with the governments of states with differing social orders. The GDR is on the right path. It was one of those who, in connection with the deployment of Pershing 2 and Cruise missiles, said: This evil weaponry must go!

You know, Honecker continued, in our national economy we have had a dynamic development for years, with an average increase in produced national income of between 3.8 and 4.5 percent.

This development has continued this year and shows that the preparation for the 12th SED Congress has become the cause of the workers. The same holds true for agricultural results and the activities of the scientific, technological, and cultural intelligentsia. Without further dynamic developments of the national economy it will be impossible to implement the great sociopolitical program, whose continuation will be discussed at the 12th SED Congress.

Housing Construction—A Program That Does Not Have To Shun Any Comparison in History

Erich Honecker said that he agreed with those who, in preparing for the party congress, pointed out that the increased achievements are the best prerequisite, because we can consume only what we create with our work. The friend from the "Berlin FDJ-Initiative" is right: The housing construction program has to be continued precisely. For 1989 and 1990 this means another 420,000 apartments, if not more. Then the housing question as a social problem will be solved, but of course all needs have not yet been satisfied, because new ones emerge with new marriages and, unfortunately, also through divorces.

Our housing construction program does not have to fear any comparison, and not only in the history of our people, Honecker said. Nobody had expected that it would be possible to build so many new apartments. The resolution established that a total of 2.8 to 3 million apartments have to be built or modernized by the year 1990. With 3.2 million, this objective has already been fulfilled. However, we have realized that there are even greater challenges. The "rebuild and expand" drive is a great initiative of the FDJ to solve this problem.

All Children of the People Have Equal Educational Opportunities

It is worth praising what our people have achieved during the past 20 years, considering that in the preceding 2 decades they were mainly working to overcome the consequences of World War II.

In the course of the discussion there were several references to the forthcoming teachers' congress. The fact that in the GDR we have provided equal educational opportunities for all children of the people and created the homogeneous socialist education system was decisive for the overall development of the GDR.

Erich Honecker declared that in this discussion he wanted to say openly and frankly: The Central Committee of our party will very carefully assess our discussion of today. I am glad that we have had this discussion. The young people may firmly rely on the fact that in every respect the party is determined to always support what it has set out to achieve; what it fought for under Karl Marx and Friedrich Engels in the League of Communists; what it fought for under Karl and Rosa, under Ernst Thaelmann, under Wilhelm Pieck, Otto Grotewohl, and Walter Ulbricht. It has fought for the improvement of the material and cultural situation of the working people, because it sees itself as part of the GDR people, because it is the vanguard of the people, and because it emerged from the union of the Communist and Social Democratic Party. This is the greatest achievement, Honecker said, adding that the unity of the workers class and the unity of its party have created the precondition for the foundation of the GDR and for its whole development in these 4 decades.

By way of conclusion the general secretary stressed: If we further develop these issues in the spirit of this debate, we create all conditions so that our party will be able to make decisive resolutions for the further development of its policy at the 12th SED Congress. Therefore, it is necessary that our plans be fulfilled and that we approach the party congress with high achievements. I wish you much success in this.

Amidst applause from all those present, Yvette Kuehn, a schoolgirl from Limbach-Oberfrohna, presented Erich Honecker with a banquet of flowers.

Pozsgay Visits Vienna, Discusses Nagymoros, Party

Meets With Vranitsky

LD1705184989 Budapest MTI in English
1504 GMT 17 May 89

[Text] Vienna, May 17 (MTI)—State Minister Imre Pozsgay, member of the Political Committee of the Hungarian Socialist Workers' Party, met Austrian Chancellor Franz Vranitzky in Vienna on Wednesday.

Mr Pozsgay informed the chancellor in detail about the Hungarian decision to suspend work at Nagymaros. Herr Vranitzky expressed understanding for the motives behind the decision and outlined Austrian interests in the project. He said he was looking forward to further talks.

In the morning, Mr Pozsgay also conferred with Vice-Chancellor Josef Riegler, who said, in connection with the Nagymaros barrage, that the interests of Austrian companies should also be considered and ways of compensation sought through joint effort.

Concerning the intention of the new Hungarian parties and independent movements to establish international relations, Herr Riegler pointed out that the Austrian parties were also ready for cooperation.

With regard to the Budapest-Vienna World Expo, the Austrian statesmen declared support for the plan and said they were relying on Hungary's full participation.

Pozsgay Discusses Nagymaros

LD1705230189 Budapest MTI in English
2033 GMT 17 May 89

[Text] Vienna, May 17 (MTI)—It is an error to evaluate the Hungarian decision to suspend the Nagymaros construction as one that contradicts the law and disregards agreements. While work is suspended, the Hungarian Government will hold talks with the Czechoslovak and Austrian Governments, and the Austrian companies involved, said Minister of State Imre Pozsgay, member of the HSWP [Hungarian Socialists Workers Party] Political Committee, at a press conference on Wednesday in Vienna. 'The case in point is not a contradiction of law, but a negotiation stage,' he noted. 'New scientific and environmental protection aspects and problems have arisen, which make it possible under international law to reopen negotiations. The Hungarian National Assembly was misled when, at the government's proposal, it voted last autumn to continue the project. It can, however, be proven that the misleading dates from 1977, as the decision on Nagymaros was then forced onto the country and never discussed either by the Central Committee of the HSWP or parliament. We should like to avoid a break in Hungary's relations with Czechoslovakia and Austria because of this at all costs, and hope that no country feels injured,' Mr Pozsgay said. Answering further questions, Mr Pozsgay said that the party membership was in favour of summoning the national party conference planned for autumn. A certain tension between HSWP members and its leadership, and the intention that the membership wishes to legalize the party's policy itself, play a role in this. The HSWP accepted the principle of free elections, and it follows from this that it also reckons with the possibility of defeat. If it cannot win the majority necessary for governing, then it is ready to go into opposition.

The minister of state noted that the party conference will probably reject the organizational principle of democratic centralism, and will introduce the freedom of platform. It is clear by today, said Mr Pozsgay, that democratic centralism paralyzed the party and the apparatus and ensured the rule of the centre over party members. With the establishment of the freedom of platform, it can be considered a normal occurrence that certain people leave the party, even in groups, and it is not difficult to prophesy that part of the membership of the emerging new parties will be from the ranks of the HSWP. However, a party break is not to be desired in the current situation as it would occasion a political power-vacuum. 'The HSWP and the majority of the sober Hungarian public would not, however, endure a Stalinist-type roll-back, and would not participate in it, and this goes for me personally, as well,' Mr Pozsgay said.

News Conference Held

AU1805084489 Vienna WIENER ZEITUNG
in German 18 May 89 p 3

[Excerpts] Hungarian State Minister and radical reformer Imre Pozsgay gave a comprehensive and certainly optimistic analysis of the domestic situation in Hungary at a news conference in Vienna yesterday. [passage omitted]

Asked whether he, Pozsgay, can imagine taking over the office of Hungarian state president, the state minister answered with the standard phrase of all professional politicians in East and West: "I have never applied for any office during my whole political career. But if it is the public's wish, I will accept this office."

Pozsgay dedicated the largest part of his statements to the issue of political design, which has recently become popular in Hungary, that is, the question of whether there should be Polish-style roundtable negotiations between the party and the opposition in his country. For the time being, the opposition groups have rejected a corresponding offer by the government and have formed an opposition roundtable themselves.

Pozsgay: "This piece of furniture has become politically important in recent times. The opposition does not want a roundtable, but a long table where the party and the opposition face each other and do not sit side by side on equal terms."

He himself favors a square model, where on one side there are the representatives of the Hungarian Socialist Workers' Party (MSZMP), facing them the opposition, and on the two other sides the government and the social organizations. The social organizations are close to the MSZMP. [passage omitted]

Pozsgay considers criticism leveled against party chief Karoly Grosz to be "normal and democratic." Its real importance can be measured only at a party congress. Such a party congress is to take place in autumn. [passage omitted]

Interviewed on Nagymaros, Reforms

AU1805092989 Vienna DER STANDARD in German 18 May 89 p 3

[Interview with Hungarian State Minister Imre Pozsgay by Josef Kirchengast and Paul Vecsei in Vienna: "There Will Be No Violation of Contract Concerning Nagymaros"; date not given]

[Text] DER STANDARD: Mr State Minister, you are a member of the Politburo of the Hungarian Socialist Workers Party (MSZMP). Are you a Communist?

Pozsgay: Yes, but a reform Communist who does not believe he is able to take the place of the people. There is no goal, no matter how valuable or remote, for which one may take daily freedom away from the people.

DER STANDARD: Just a year ago the MSZMP claimed that Hungarian society is not yet mature enough for a multiparty system. Today early elections are already being discussed. When will there be free elections?

Pozsgay: This may well happen this winter or next spring.

DER STANDARD: You have repeatedly advocated more market economy. During his visit to Austria, Premier Nemeth also came out in favor of this and said that unemployment in Hungary as a result of a process of restructuring is an expression of improvement. Is Hungarian society able to tolerate such tensions?

Pozsgay: We are not spared such tensions. We cannot avoid them. In this respect, I fully agree with the premier that this means improvement and will go hand in hand with our development. However, this unemployment is structural unemployment. On the other hand, there will also be new jobs available, but supply and demand do not meet. In order to come to terms with these tensions, we need political instruments. This means elections.

DER STANDARD: Is the agreement concerning a multiparty system the result of the insight that only a pluralistic society can bear tensions such as they result for instance from serious economic crises?

Pozsgay: This has certainly played a major role—and also the fact that cooperation with the people to overcome the crisis cannot be organized in any other way. However, there was an even more important aspect: to establish controllable power which cannot make decisions such as those that have led to the current crisis.

DER STANDARD: An example for this is Nagymaros.

Pozsgay: Yes, this was an arbitrary and voluntaristic decision in 1977.

DER STANDARD: International law cannot take into account such internal conditions, because otherwise any bilateral agreements would come to nought.

Pozsgay: We have absolutely no intention of violating international law. We only want new negotiations. This is also envisaged by international law if new information has been acquired concerning ecological or energy aspects. The construction has not been halted for good, but only suspended. We also recognize that the countries and companies involved have a right to correct negotiations.

DER STANDARD: Has Nagymmaros become such a domestic burden to the Hungarian leadership that it accepts the deterioration of relations with the neighboring states as the price for halting the construction?

Pozsgay: If we cannot find any economic and ecological reasons for the construction, this is a political fact which the CSSR and Austria have to understand. Today I discussed compensation for Austrian companies with Chancellor Vranitzky. We hope that there will also be understanding for a final halt to construction. We promise that no contracts will be violated. In cases were compensation is not possible, the government will act according to the rules of private law.

DER STANDARD: Does this also mean the payment of fines if necessary?

Pozsgay: Of course, this has been included in the calculations.

DER STANDARD: Concerning the topic of coming to terms with the past: Janos Kadar was called the father of "Goulash Communism." Now he suddenly lost his last remaining political functions. Is he to be the scapegoat for all mistakes committed in the past?

Pozsgay: I am against any scapegoats on principle, because this is not a question of personnel issues but of problems that are inherent to the system. Kadar is seriously ill and physically incapable of exercising any political function. His personal tragedy lies in the fact that, even though he managed to consolidate the country in 1956, in the end he himself became a prisoner of this system.

DER STANDARD: You say that in the 20th century Hungary has already exhausted its reserves for disasters. Would the MZMP's taking over the role of the opposition after an election defeat reach the limit of what is acceptable for Moscow?

Pozsgay: The Soviet Union advocates the view that it is surrounded by friendly and allied countries. Such an election result would not influence this view.

DER STANDARD: Do you think that a neutral Hungary is impossible?

Pozsgay: I do not exclude this, but I say that a unilateral step would disturb the European balance. There is another possibility, namely that the opposing blocs lose their military importance and become obsolete.

DER STANDARD: You spoke of fraternal cooperation in connection with our joint function as a bridge between East and West. In our country there is a saying: A Hungarian is a person who enters a revolving door behind you and comes out of it in front of you. There are fears that Austria's bridging function might increasingly shift toward Hungary in the course of cooperation. And to come back to the saying: Do you think that Austria will then come out of the revolving door second?

Pozsgay: According to Hungary's historical memory, the Austrians have never come off second-best all through our common history. Today both peoples are very much aware that we greatly depend on each other.

Comments on Upcoming Bush Visit to Budapest

AU1805100489 Budapest MAGYAR NEMZET in Hungarian 6 May 89 p 1

[Editorial by Janos Avar: "The President Is Coming"]

[Text] No U.S. president has ever visited Hungary, at least not while in office. Richard Nixon visited Hungary prior to becoming president and moving into the White House, and following his departure from the White House, he once again visited Hungary as a private citizen. Prior to Richard Nixon's visit, another former president visited Hungary in April 1910. Theodore Roosevelt also met with Kalman Mikszath, a meeting described by the writer in the newspaper. However, George Bush visited Hungary in his capacity of vice president at the beginning of this decade, and so far, he is the highest ranking official American guest to have visited Hungary. In any case, the first president to visit Budapest will be the 41st President of the United States.

This fact in itself already characterizes George Bush's visit to Hungary in July as a historical one. Considering the keen attention with which the American public follows a president's foreign trip (an entire army of journalists will accompany Bush in Europe), even if we cannot say that America is discovering us now, undoubtedly, Hungary will become the focus of the interest of this superpower for a political moment (in 1956, we had to share the attention of the public opinion with the Suez crisis.)

Let us be modest, of course, because we have always paid much more attention to America than America has paid to us (this fact was particularly unfortunate for us following World War I when the one-sided media influenced Woodrow Wilson, a president who otherwise was particularly sensitive to national rights.) However, following the second "big war," our political foolishness, which we recognize today but which was still not entirely domestically inspired, rejected the helping hand which stretched toward us in the form of the Marshall Plan. There were several missed opportunities in the past, and we should not forget about them for the benefit of our future.

No doubt, current Hungarian-U.S. relations give us cause for hope. The turn in our relations obviously came with the return of the Crown of St. Stephen in 1978, and, in this noble gesture, we recognized a change in the way the United States judged Hungary, or rather, respected a country striving for changes. The fact that our relations developed at a rapid pace, and occasionally even spectacularly in the past decade, also shows the earlier stagnation of our relations, and obviously this was mainly to our detriment.

However, in the last 10 years, we have indeed discovered the advantages of our relations with the United States. It is clearly useful for a small European country to cooperate with the economically most developed country; it is all the more so if that small country is struggling with great problems. After having received so many lessons without even asking for them, it is not shameful to confess that we also want to deliberately learn a lot from the American experiences, be they connected with organization, technology, or legislation.

President Bush will come to an open country which not only expects capital and tourists from the outside world, but also permits the free flow of men and ideas in both directions, free of any restrictions, a country in which we are striving to guarantee human—including political—rights as fully as possible, rights the extending of which the current President and his predecessors have so honorably endeavored in the past 15 years. We have neither the right to nor reasons for showing off, but perhaps we are not far from the truth when we think that the Bush visit is in appreciation for our recent efforts, and is possibly a credit for our comprehensive reform efforts that are also promising on the world political stage. The steadiness of these efforts is obviously also the guarantee for the further development of Hungarian-U.S. relations. There is no doubt that the timing of George Bush's visit is also a historical one. In receiving him, Hungary also commits itself to the United States, a commitment to create a really democratic society that systematically expresses all interests. Possibly Washington considered the timing of the visit and evaluated our domestic policy situation, and in their view, this visit refers more to the things to come, rather than to the prevailing things. It is also quite natural that President Bush will conduct talks about daily issues as well as about future prospects. However, this first presidential visit is meant first of all and decisively to Hungary and to its people as such and thus, it is also meant as a gesture.

The White House is currently expected to reformulate the East-West strategy of the United States, including its relations with the Eastern-central European countries, relations naturally most important for us. Therefore, one can also see it as symbolic that the President will visit Warsaw and Budapest this time, the two capitals where the reform efforts are most comprehensive and most thorough in this area. We can rightfully regard this as an acknowledgement or even as an encouragement and also as promising, because this shows the interest, and hopefully also the [economic] interest of a world power in the changes taking place in Eastern Europe. We can even regard it as fortunate that George Bush will go straight to the Paris summit of the seven leading capitalist countries from Hungary and will be able to provide firsthand information to his partners whom we regard as key partners in helping us in our efforts aimed at overcoming our economic problems.

The man who comes to us already knows us, and he comes from a country where our prestige is increasing thanks also to the more than 1.5 million people of Hungarian origin, something that, as is well-known, is a condition for any advancement of relations. America has been a haven for many Hungarians during their eventful history, and at long last, this has now become clearly useful for Hungarian-U.S. relations. Hopefully, we will now be able to mutually and completely count on each other, because we have defeated our prejudices, we have eliminated the obstacles, and we are fully engaged in creating opportunities for cooperation.

George Bush comes to us for a short visit, but a very important one because we have been waiting for this visit for a long time. We raised our relations to the highest political level last summer, and President Bush will now not only return this visit but—at least we feel that way—he will also repay a historical debt by making the long-overdue visit of a White House inhabitant to Hungary. The Hungarian people will receive him accordingly.

The announcement of this visit will obviously create a great world political reaction, and this is welcome too. If you like, this is also a signal directed to all the players in the international world. America is paying attention to Eastern Europe and America regards it increasingly independent. President Bush is coming to Warsaw and Budapest, the two capitals that have taken their fate in their own hands. We are waiting for him.

Finance Minister Interviewed, Discusses Problems

LD1505100289 Budapest Television Service in Hungarian 1700 GMT 14 May 89

[Interview with Finance Minister Laszlo Bekesi by unidentified presenter on "The Week" program on 14 May in Budapest—live or recorded]

[Excerpts] [Presenter] The government agreed at its session on Saturday [13 May] on a package plan about its intentions for the economy in 1989. Details have not become clear from the terse communique, therefore we asked Finance Minister Laszlo Bekesi into our studio. The communique is really terse and puts things rather obliquely; it states that the package plan adopted now aims at reversing the unfavorable trends observed to have been experienced in the first quarter. How unfavorable is the situation? To what extent has our economic situation worsened since January in terms of what was planned?

[Bekesi] The 1989 plan and state budget was a priori burdened with tensions. Planning mistakes may also be mentioned among the factors; we calculated for an invigoration of the output of the economy, growth, and income creation. The first quarter proves that this has not taken place. There is not a decline in comparison to last year, but income processes fall short of those planned.

The other factor is positive, I think, for public opinion although it negatively affects the balance. The government—under social pressure—decided to postpone certain planned price rises or to introduce them later in smaller measures; for example the price increases in water and sewage charges, domestic fuel tariffs, or the oft-mentioned highway toll. I could also mention that during the first quarter in some areas—primarly agriculture—the government assumes the burden of the devaluation of the forint. It did not pass on either to the consumer or the farms. This also worsens the economic balance. Last but not least I must mention that in our 1st year of experiencing a liberalized economy with a substantial liberalization of imports, the volume of imports relative to exports is larger than planned. As a result of all this the external and internal balance is worse than should be permissible for the whole year.

[Presenter] If emergency economic measures are not decided upon or not implemented, how far are we at the moment from international insolvency?

[Bekesi] This is at issue and so the question arises. Domestically, balance positions must be improved by 30-35 billion forints in order to make it possible to finance the economy. While in the international balance of payments, there must be an improvement of approximately $400-500 million.

I would like to add immediately that the government is preparing such a package plan which it will submit to the National Assembly at the next session. This will ensure that in 1989 it will be possible to avoid the monster which is threatening all of us; insolvency, which would really mean the collapse and bankruptcy of the economy. I emphasize: It will be the National Assembly which will decide, but the aim of the package plan is this. I must add that we are talking about only 1989. It is essential for the entire economy and the government within it to work for the rest of the year on the program which can create conditions for a subsequent escape from the depression and for resurgence.

[Presenter] Please do no take it wrong, but I would like us to formulate things very precisely and unambiguously. So your position is that if these emergency measures are not introduced the country will become insolvent this year?

[Bekesi] Our view is that if these measures are not implemented, a negative balance will develop in our external and internal relations which can no longer be financed. It does not depend simply on our intentions; the international financial world does not finance worsening balances on such a scale—and we must face this.

[Presenter] Which are the most important elements of this package plan?

[Bekesi] We are not just talking about restrictive, regressive, decreasing measures. In the first basket there are measures increasing enterprise and exports primarily through using credits. [passage omitted]

Government support will be 2 billion forints for this and everybody can apply. Conditions for competing for the export development credits will be worked out by the government soon.

The second package is the reduction of state expenditure. [passage omitted] The most important elements are cuts in defense and the armed forces, including the army; the interior ministry and the Workers' Guard whose state support will be reduced by over 5 billion forints; state support for administrative bodies, government organs, and the council apparatus, will be cut by more than 1 billion; a further 1 billion forints will be taken away from the support for social organizations, the plan envisages.

It does not take money away from health, culture, science, or education. [passage omitted]

Subsidies for the capitalist and socialist exports of the lowest productivity may be reduced by 6 or 7 billion forints and they are to be reduced too.

The third factor: Since this year the measures so determined will place wide strata of the population in a worse situation than planned at the start of the year. Price increases will somewhat exceed what was planned; the increase in the number of closures of firms losing money which is also part of this package may also cause further problems. The government deems it necessary to present, in agreement with the unions, a social-policy package plan. This may amount to 5 or 6 billion. I will not speak about the details now. [passage omitted]

The fourth part is that liquidation procedures will be started, contrary to the resolutions, promises, and decisions made so far, against steadily unfavorable firms producing with low efficiency and making a loss. These will be initiated by banks, tax offices, and the social security main directorate. [passage omitted]

Bekesi on Withdrawing From Direct Regulation

*LD1505211189 Budapest MTI in English
1907 GMT 15 May 89*

[TEXT] Budapest, May 15 (MTI)—What we need is a Ministry of Finance that is capable of remedying the economic problems in an effective manner, said Minister of Finance Laszlo Bekesi, at a discussion with journalists on Monday in the ministry.

Mr Bekesi stressed that the financial government will gradually withdraw from the area of direct regulation of the national economy, making way for the banking sphere and liberalized market. In the future, the ministry will mainly deal with creating the tax, customs and budgetary policy. The minister said the complete reorganization of the state budget will be completed in the next three years, the tax reform accomplished in the interest of the soonest possible creation of the unified taxation of the entreprises, incomes of the population, turnover and consumption. It is also necessary to create a new property tax system.

The basic principle of the new customs system under preparation is for the tariffs to serve the protection of domestic production, and also assist the import of goods necessary to streamline economy, and that they adapt to the Common Market tariff system as well. The proprietory reform can gain impetus if its major elements as, for instance, the assessment of property, the means and methods of state property handling are set up. This is also a pressing task. Finally, plans also envisage to create the financial and institutional conditions of external convertibility by 1992.

These plans are in harmony with the three-year government programme taking shape, the most important basic elements of which are to gradually break down the market restrictuons, to enliven enterprises, and a powerful property reform, the narrowing of income centralization, and the creation of an open foreign economic policy. External sources are required to implement the programme, which, according to certain estimates, total 1,500 million dollars, or 8,000 to 10,000 million according to other estimates. The government wishes to acquire the sum with the involvement of working capital. The financial government continues to deal with the preparations for the debt conversion. Tangible results are expected in this field on the completion of the transformation law, the stock law, as foreign investors are ready to accept the hungarian debt in the form of options only in case these exist.

With respect to the package plan of measures to improve the balance of the 1989 budget, Mr Bekesi said they wish to reduce the deficit by 30,000 to 35,000 million forints. In this interest, they are to cut back budgetary expenditures by 20,000 million forints as compared to that planned originally. As a consequence of cutting back the defence costs, a further 20 companies that produce military articles are expected to be put in a difficult situation, and 6,000 jobs are to be eliminated.

Planning Chief on Budget Deficit Package

LD1605214789 Budapest MTI in English 2002 GMT 16 May 89

[Text] Budapest, May 16 (MTI)—Contrary to earlier practice, the government is not to draw up a package of restrictive measures hitting companies in the interest of reducing budget deficits, but wants instead to check state expenditures in the first place and to improve the conditions for ventures, Erno Kemenes, president of the National Planning Office, told a press conference in parliament on Tuesday.

The package, to be presented to MPs during the parliamentary session beginning on May 30, foresees a cut of 7,000-8,000 million forints in defence spending, state administration expenditure and subsidies for social organizations. Budget subsidies are also to be restricted.

As social security revenues are far in excess of plan, owing to a greater outflow of wages than calculated, it will be possible for a separate fund to take over the financing of certain health and welfare services this year. The inflation-related profits of commercial banks will also be taxed.

This year, production subsidies will only be granted to mines and agricultural cooperatives. The package also includes measures to streamline foreign-currency management for the population.

The aim of the programme is to reduce the budget deficit by 30,000-20,000 million forints and to get it under the planned 20,000- million mark by the end of the year.

The first three months of the year saw a sharp increase in the budget deficit, and the balance of payments was less favourable than expected, mainly because of the use of extra foreign currency by the population.

During the press conference, mention was made that the International Monetary Fund does not require the Hungarian Government to devalue the forint further.

MTI on Grain Producers Protest, Organization

LD1605215289 Budapest MTI in English 2024 GMT 16 May 89

[Text] Budapest, May 16 (MTI)—Local and county-level agrarian reform circles, set up throughout the country in recent weeks, formed their national organization in Budapest on Tuesday.

During the statutory session, it was stated that agriculture had gotten into an extremely difficult situation, peasant work had lost its prestige and profitability fallen far below the national economic average. Agricultural production could also decrease to an extent which would imperil domestic food supply and agrarian exports. cooperatives, state farms and small-scale producers have to join hands to protect their interests.

x x x

In his contribution to the debate, the representative of the Grain Producers' Association outlined the demands they had set to the government, such as a minimum 30-percent rise in grain purchase prices, which lag far behind the world market price. The government should report on its sales of grain over the past five years.

It was announced that, should a favourable solution not be reached, then on June 29, the day the harvest traditionally starts in Hungary, grain producers will drive their combine-harversters along main roads in demonstration of their just demands.

Krakow Anti-Soviet Demonstration on Warsaw TV

LD1705191289 Warsaw Television Service in Polish 1730 GMT 17 May 89

[Text] [Presenter] Yesterday we showed video of an anti-Russian, an anti-Soviet demonstration in Krakow. Today, our Krakow reporters unfortunately filmed similar scenes:

[Begin video recording] [Unidentified voice over megaphone] ...directly with so-called capitalist imperialism.

[Crowd chanting] Soviets go home, Soviets go home, Soviets go home... [Video shows crowd with banners: "Soviets Go Home" and "Freedom and Peace;" crowd pulling benches onto streets to block it off to militia; a water cannon in action; alternative views of street with stones seen flying toward militiamen]

[Crowd chanting] Soviets go home, Soviets go home, Soviets go home, Soviets...

[Unidentified passerby] These sorts of events must be condemned, yes, because this is absolutely inconceivable. After all, it is difficult to imagine that with these current changes certain groups should damage, yes, the general atmosphere that exists in society.

[Second unidentified passerby] Imbecility, nothing other than straightforward imbecility, and the people are irresponsible. And it would be best to end with everyday [word indistinct] of this sort, because this does more harm than good.

[Third unidentified passerby] I am also against such actions as writing. For instance yesterday on one of the embassies there was a four-letter word. This absolutely I do not like, because I think that this is just a happening.

[Vladimir Nakariakov, head of NAVOSTI agency in Krakow identified by screen caption] I can only assess the event in Krakow as a provocation. And I do not know who directed—from behind the scenes—this provocation. Well what to say here? That the organization Freedom and Peace [WiP], in my view is, as is well-known, an illegal organization, that it strangles freedom there and that there is too little peace. And this youth very frivolously crosses the line between—how to put this—democracy and anarchy. Well, what else can I add? That this was, of course, not as (?they) say some socially marginal element, but intelligent altogether: People, students from the Jagiellonian University played. [as heard] Well, and I think that they personally must be taught about democracy. [end video recording]

[Presenter] As our correspondent in Krakow reports, the demonstrators today injured three passersby with stones. Krakow society and the whole country looks with disgust at the anti-Soviet excesses that part of the opposition is stubbornly organizing in Krakow. The symbol of the Soviet Union has been profaned. Defamatory drawings have appeared on the walls of houses. The chairman of the Ministers Council, Mieczyslaw Rakowski, has received USSR Ambassador Vladimir Bravikov. The talk concerned problems of mutual interest and concern.

Injuries, Arrests in Demonstration

AU1705192989 Paris AFP in English 1902 GMT 17 May 89

[Text] Warsaw, May 17 (AFP)—A dozen people were injured and some 20 others arrested as Polish police forcibly dispersed several hundred demonstrators calling for the withdrawal of Soviet troops from Poland in the southern city of Krakow Wednesday, opposition sources said.

Demonstrators, mostly members of the pacifist-ecological Freedom and Peace (WiP) movement, marched from the central Old Square to the Soviet consulate, 700 meters (yards) away, with banners saying: "Soviets go home".

As some 100 people began a sit-in opposite the consulate building, anti-riot police moved in wielding truncheons and using water cannon and tear gas. A similar demonstration was held in Krakow Tuesday.

Soviet Embassy Building Attacked

LD1705225189 Warsaw Domestic Service in Polish 2200 GMT 17 May 89

[Text] Scandalous occurences have once again taken place in Krakow on 17 May. A group of young people about 300 strong, chanting "Soviets go home," attacked a Soviet diplomatic building with stones. Clashes with the intervening forces of law and order took place. Over 20 functionaries were injured and seven passersby were also injured. In the course of barely 48 hours, writes a PAP commentator, horrifying disturbances and anti-Soviet provocations have taken place; emblems of the Soviet Union have been defiled. By writing anti-Soviet slogans on walls and the sides of buildings, the organizers of these demonstrations showed that barely has the right to demonstrate been eased then they starkly abuse freedom and democracy.

Further on Anti-Soviet Protests

LD1805023589 Warsaw PAP in English 0144 GMT 18 May 89

[Text] Krakow, May 17—Scandalous street excesses have occurred once again in Krakow today: Leaflets calling for a rally in the main square were distributed in the city from the morning. The organizers were the same forces from the "Wolnosc i Pokoj" (Freedom and Peace) movement which on April 16 authored the events before the Soviet General Consulate here.

Blocking and totally paralyzing traffic in the city center, a group of some 300 young people—shouting "Soviets go home" proceeded from the main square towards the

Westerplatte Street, to the building of the Soviet Consulate. Acts of provocation occurred there. The Soviet diplomatic posts was attacked with stones. Attempts were made to storm the building.

The law enforcement forces which intervened were showered with stones, bottles and bricks pulled from sidewalks and the street.

The events took a sharp turn: The aggressive young people began to gather benches, garbage baskets and other objects to erect barricades. Fortified law enforcement forces moved in. The militiamen began to disperse the demonstrators who ran to the nearby streets, individual groups nonetheless began to attack militiamen and militia cars, throwing stones and bottles. The unrest spread to other parts of the city. The streets were littered with rocks, bricks and glass. Benches were upturned, cars demolished, windows were shattered in the fire brigade headquarters situated nearby the Soviet Consulate.

According to preliminary data, 7 citizens who happened to be nearby suffered wounds in the unrest and were given first aid. More than 20 militiamen were wounded, of whom two are in hospital, 19 militia cars were damaged, 13 participants in the unrest were apprehended and were released after being interrogated.

The voivodship prosecutor, Andrzej Zaleski announced that the voivodship prosecutors office in Krakow today instituted an investigation into the unrest in the city on May 16 and 17 and to determine who authored the illegal actions. The public will be kept informed on the results and findings of the investigation, Zaleski said.

Indignation and concern—these are feelings aroused by the news about developments which took place in the streets and squares of Krakow on Wednesday afternoon, writes PAP commentator.

These excesses painfully hit out at the interests of the Polish state and nation because they disturb Polish-Soviet relations at a time when they are good as never before, cleared from deformities.

The Krakow brawls burden not only the radical and extreme part of the opposition. For the whole opposition advocates anti-Sovietism in one way or another, hence creating a climate out of which adventurist incidents are born.

They occurred in a city whose salvation came together with the Red Star which is the object of derision and jeering on the part of young vandals.

Having watched the scenes shown in the evening editions of TV news bulletins one must say that indignation is felt by the majority of Polish society, or by all thinking people in this country.

We may differ in opinions on various Polish problems. But when it comes to matters such as respect for the befriended great country and for fundamental principles of our foreign policy, based on alliance with the Soviet Union and other countries of the socialist community—we must take an unambiguous stand.

The scandalous excesses in Krakow must also stir Soviet people who have the right to ask: What is going on in befriended Poland? May legalization of the opposition disturb Polish-Soviet relations? Why does a part of the Polish opposition breathe anti-Soviet venom at a time when almost the whole world observes with sympathy destalinization and transformations in the Soviet Union?

Walesa Press Spokesman on State Bodies Reform

LD1605230889 Warsaw PAP in English
2212 GMT 16 May 89

[Text] Warsaw, May 16—Following is a statement given to PAP by Lech Walesa's press spokesman Piotr Nowina-Konopka.

During the round table talks the sides worked out among other things an agreement concerning reform of the supreme institutions of the state, including establishment of an office of president. Discussion on this institution is under way in Solidarity just as in the country at large. Neither the independent self-governing trade union Solidarity nor chairman Lech Walesa have made any decision so far regarding the attitude to a possible fielding of candidacies for president.

We focus at present on the reconstruction of trade union structures and on the election campaign to the National Assembly which will elect president.

Solidarity Official Criticizes Election Campaign

LD1705201189 Warsaw Domestic Service in Polish
1700 GMT 17 May 89

[Text] Jan Litynski, chairman of the Warsaw Solidarity Citizen's Committee, said at a news conference today that he is concerned about the way the election campaign is being conducted by the coalition and government side. He said that coalition candidates usually present a program focusing on local issues but in relation to the competition they apply personal argumentation instead of matter-of-fact argumentation.

The Sejm and the Senate, Jan Litynski said, are too important as institutions to allow their form to be decided by a personal discussion instead of a programmatic one. The Warsaw Solidarity Citizen's Committee has put forward nine candidates for deputy and three candidates for senator. Many questions at the conference concerned the way the Solidarity candidate's election campaign is financed. So far, Jan Litynski said, Z100 million has been collected from the sale of so-called election bricks. Of this sum Z38 million has been passed on to help in the election campaign in other voivodships.

PAP Names Sejm Candidates on National List

LD1205213289 Warsaw PAP in English
1935 GMT 12 May 89

[Text] Warsaw, May 12—The State Electoral Committee issued today information on candidates for Sejm deputies running from the national electoral list. The list includes 35 names:

1. Baka Wladyslaw, 53, professor of economic studies of the Warsaw University, PUWP CC [Polish United Workers Party Central Committee] secretary, member of the Main Board of the Polish Economic Society, resident of Warsaw—district Srodmiescie.
2. Barcikowski Kazimierz, 62, economist, vice-president of the Council of State, chairman of the Main Board of the Cooperative Movement, resident of Warsaw—district Srodmiescie.
3. Ciosek Stanislaw Jozef, 50, economist, PUWP CC secretary, general secretary of the National Council of the Patriotic Movement for National Rebirth PRON, resident of Warsaw—district Mokotow.
4. Czyrek Jozef, 61, economist, PUWP CC secretary, vice chairman of the National Council of the Patriotic Movement for National Rebirth PRON, resident of Warsaw—district Srodmiescie.
5. Gwizdz Wieslaw, 55, pedagogue, president of the National Board of the Polish Catholic-Social Union, resident of Katowice.
6. Jakubowski Mieczyslaw Aleksander, 55, economist, craftsman, vice chairman of the Central Committee of the Democratic Party, resident of Warsaw—district Zoliborz.
7. Jozwiak Jerzy, 52, lawyer, chairman of the Central Committee of the Democratic Party, resident of Warsaw—district Mokotow.
8. Kabat Marek Romuald, 58, philologist, secretary of the main board of the "Pax" Association, resident of Warsaw—district Zoliborz.
9. Kaczmarek Jan, 69, professor of technical sciences, department head at the Polish Academy of Science, president of the Chief Technical Organization, resident of Warsaw—district Srodmiescie.
10. Kania Stanislaw, 62, economist, chairman of the Sejm Committee for Self—Governments, resident of Warsaw—district Srodmiescie.
11. Kawalerowicz Jerzy, 67, film director, resident of Warsaw, district Mokotow.
12. Kiszczak Czeslaw (64)—career officer, minister of internal affairs, resident of Warsaw—district Mokotow.
13. Komender Zenon (66)—publicist, the Council of State—vice- president, Main Board of "Pax" Association—chairman, resident of Warsaw—district Mokotow.
14. Kowalczyk Zofia (44)—private farmer, resident of Budy Grzebyk (Skierniewice voivodship).
15. Kozakiewicz Mikolaj (64)—professor of educational sociology, the Polish Academy of Sciences, resident of Warsaw—district Zoliborz.
16. Krolewski Bogdan (45)—agriculture engineer, economist, UPP CC [United Peasants Party Central Committee]—secretary, resident of Warsaw—district Mokotow.
17. Leyk Wiktor Marek (38)—journalist, National Board of the Christian-Social Union—vice-chairman, resident of Szczytno (Olsztyn voivodship).
18. Lecznarowicz Elzbieta (42)—teacher, Main Board of the Polish Women's League—chairman, resident of Krakow—district Krowodrza.
19. Ludwiczak Dominak (49)—private farmer, UPP CC—vice-chairman, resident of Trzebaw (Poznan voivodship).
20. Maciszewski Jarema (59)—professor of history—Warsaw University, the Academy of Social Sciences—rector, resident of Warsaw—district Srodmiescie.
21. Maksymiuk Janusz (42)—engineer of agriculture, private farmer, Chief Council of the National Union of Farmers, Farmers' Circles and Organizations—chairman, resident of Olesnica (Wroclaw voivodship).
22. Malinowski Roman (54)—economist, UPP CC—chairman, Sejm speaker, resident of Warsaw—district Srodmiescie.
23. Mieloch Jan (59)—economist, resident of Warsaw—district Mokotow.
24. Miodowicz Alfred (60)—ironmaster, All-Poland Alliance of Trade Unions—chairman, resident of Warsaw—district Mokotow.
25. Morawski Kazlmierz, 60, journalist, chairman of the National Board of the Christian-Social Union, member of the Council of State, resident of Warsaw—district Mokotow.
26. Olesiak Kazimierz, 52, economist, vice-chairman of the Council of Ministers, minister of agriculture, forestry and food economy, resident of Warsaw—district Srodmiescie.
27. Rakowski Mieczyslaw Franciszek, 63, historian, chairman of the Council of Ministers, resident of Warsaw—district Srodmiescie.
28. Siwicki Florian, 64, career officer, minister of national defence, resident of Warsaw—district Mokotow.
29. Szawiec Jozef, 41, expert in administrative law, secretary of the Democratic Party CC, resident of Bialystok.
30. Szelachowski Tadeusz, 66, doctor, vice-president of the Council of State, vice-chairman of the United Peasant Party CC, resident of Warsaw—district Srodmiescie.
31. Szurmiej Szymon, 66, stage director-actor, the State Jewish Theatre in Warsaw, resident of Warsaw—district Praga Poludnie.
32. Szymanski Edward, 53, economist, department head and secretary of the Commission for Representative Bodies of the PUWP CC, resident of Warsaw—district Mokotow.

33. Szymanski Wladyslaw, 48, economist, researcher in Warsaw Planning and Statistics Academy, member of the Council of State, resident of Warsaw—district Mokotow.
34. Sliwinski Stanislaw, 51, agriculture engineer and economist, secretary of the United Peasant Party CC, resident of Warsaw, district Srodmiescie.
35. Zielinski Adam, 58, professor of law, chairman of the Main Administrative Court, chairman of the Association of Polish Lawyers, resident of Warsaw—district Ochota.

U.S. Affairs Expert Discusses Bush Presidency

AU1805070089 Warsaw ZYCIE WARSZAWY in Polish 3 May 89 p 5

[Interview with Professor Longin Pastusiak, U.S. affairs expert, by Ewa Boniecka: "The Ups and Downs"—date, place not given]

[Text] [Boniecka] The first 100 days of George Bush's U.S. presidency elapsed on 29 April. There are many opinions of his first 3 months in power. What is your view on the 41st President's initial period in office?

[Pastusiak] During this period Bush has carefully selected his team. It has taken him 65 days. John Kennedy did it in 39 days, while Nixon only took 36 days. During the course of his first 3 months in office, President Bush has not surprised me at all. He has shown himself to be a political pragmatist; he has surrounded himself with competent people; he has not committed any major error nor any blunder; and he has confirmed the qualities of his individuality. He is a politician who attaches greater weight to personal relationships with people, and concrete things, than to ideas, views, or even intellectual values.

[Boniecka] Do you consider these qualities to reflect the type of presidency which America currently needs?

[Pastusiak] Yes, I consider this to be so. After a president known for his rhetoric, who reached for emotional symbols, America needs a cautious president, who gives a feeling of internal security and world stability, a president who realizes the need for solving the country's social problems that hitherto have been swept aside.

[Boniecka] And yet American opinions of the first 3 months of the new administration are critical of the slow tempo of activity and the lack of a broader vision of America's future.

[Pastusiak] Personally, I am not unduly worried by this. I still hope that behind the slow development of general policy outlines and initiatives of the Bush administration, there lies a desire to carry out a deeper analysis of the developments taking place in the world and especially in American-Soviet relations. At this stage I would even prefer a slow development of policy initiatives, if this leads to a serious rethinking in relation to the construction of lasting foundations in East-West relations. I am counting on that in Washington there will be a gradual emergence of signs of American "new thinking" on world problems. If Gorbachev's "new thinking" is to succeed in profoundly restructuring international relations, there must be a comparable "American new thinking." The situation in today's United States is as follows: The processes of reappraising stereotypes, in relation to various phenomena, are more marked among the broad circles of society than in the consciousness of the elite. This is borne out by public opinion surveys, which show that an overwhelming majority of the American public support the Soviet "perestroyka."

[Boniecka] Professor, your specialization for over 30 years has been American affairs. You are the author of hundreds of articles and 40 books on this subject. How did it all begin?

[Pastusiak] As a boy I collected stamps and this aroused my first interest in the outside world. But more to the point, when I was studying journalism—as did many in those days—I wanted to specialize in German affairs, but one day I was summoned by my faculty head who said: "There is no point in specializing in German affairs, you will never stand a chance against such gifted students as Osmanczyk or Podkowinski. However, there is a great country like the United States, which will play a leading role in world affairs for many years, a country which is important to Poland. You could consider specializing in its affairs." That is how it began. After getting my second master's degree at the University of Virginia and after completing my doctoral studies at American University in Washington, I chose to pursue a career of political science rather than journalism. As it happened, during my studies in the United States my colleagues were the later well-known senators—Edward Kennedy, and John Tunney from California. Thus, as a young scholar, I caught the "American bug."

[Boniecka] You are currently acknowledged in Poland and worldwide as an authority on American affairs. Malicious tongues say that you know more about American presidents than the Americans themselves. Nevertheless, "noblesse oblige." [French expression used] The position of a leading analyst of American affairs entails scholarly, moral, and political responsibility. The United States is a world power and mutual Polish-American relations are of interest to the Polish general public. You have analyzed these relations in good and bad times. How would you evaluate your field of specialization, the study of Polish-American relations?

[Pastusiak] Specialization in the study of Polish-American relations has its positive and negative aspects. A positive aspect is the popularity of the subject, proof of which is that none of my books linger for too long on the bookshelves. A negative aspect is the existence of an American myth in Poland, a fascination with the United States coupled with superficial knowledge. I consider that two separate factors influence Polish-American relations. The first is the emotional factor, which stems from a long tradition of contacts: the participation of Poles in the American War of Independence, the influence of American diplomacy in securing Polish independence after the First World War, and Polish gratitude for American aid programs at various times. The second factor is mutual interests. I have always maintained that Poland has concrete and definite interests in the development of relations with the United States. These relations involve economic, political, scientific, and cultural cooperation, and contacts with Americans of Polish ancestry. The above factors have ensured that Polish-American relations after the World War II have generally been better and warmer than the prevailing temperature of East-West relations. The United States also has an interest in the development of relations with Poland. Here, however, there is an imbalance. Whereas for Poland, the priority of Polish-American relations lies in the economic sphere, for the United States, Poland is mainly attractive from the political point of view.

[Boniecka] How do you evaluate the current temperature of these joint relations?

[Pastusiak] It is clearly climbing. I am pleased by President Bush's propositions in relation to Poland which were made known on 17 April, because they show that the process of positive reevaluation of American policy toward Poland is continuing. Much, however, remains to be done in the sphere of Polish-American relations.

[Boniecka] Professor, as a political scientist, are you satisfied by the relation between this area of study and political practice in Poland?

[Pastusiak] The structure of the relationship between political science and politics in Poland has not yet become what it should be. The legacy of the past, where the decision makers often needed academics to justify decisions which had already been made, weighs heavily on us. We use the terms "expert" and "advisor" interchangeably, whereas in reality these are different functions requiring different qualifications. An expert can be professionally competent in a narrow field, but an advisor should also foresee the political consequences of his advice. An ideal situation would be where a decision maker consults the opinion of several experts, has the advice evaluated by his advisors, and then decides on one of the proposed courses of action, for which he takes responsibility. If however, expert opinion and specialist advice are systematically rejected by the decision makers, it is a telling signal and both sides should draw the appropriate conclusions from this. I believe that we are advancing in the appropriate direction. Today, when we are desperately seeking to increase the effectiveness of our economy, we must also think how we can increase the effectiveness of our political institutions. I do not think this can be achieved without a proper interaction of political science and politics.

Urban Interviewed on Information Policy

AU1705141889 Warsaw RZECZPOSPOLITA in Polish 9 May 89 pp 1, 5

[Interview with Jerzy Urban, minister of information, by Zbigniew Lentowicz: "Toward a New Order of Information"—date, place not given]

[Text] [Lentowicz] You are Poland's first minister of information, at the same time as being the head of a powerful concern. Apart from being the chairman of the Radio and TV Committee, you are also in charge of PAP, RZECZPOSPOLITA, the Government Press Office, and the government spokesman. That is a considerable concentration of power. What were the reasons behind creating such a structure of authority over government information?

[Urban] That is not a concentration of power. I am not responsible for PAP, nor for RZECZPOSPOLITA, nor for the government spokesman. Service to institutions is one thing, and responsibility over them is another. I am merely chairman of a team of managers over these media, a team meant to work out joint information policy. Therefore, the point is not responsibility for information, but the creation of a system that strengthens the government's contact with public opinion.

[Lentowicz] In your letter to the Sejm marshal in which you justified your candidacy for this post, you said that this new system has a very special purpose.

[Urban] Anyone who has just been appointed to a new position says that what he is about to do is very important. I will not say so, because I do not think the creation of this team was a momentous change. Of course, it is useful that the heads of such great institutions as PAP, radio, television, and the government newspaper, plus the government spokesman himself, should be brought together into a single group and concentrate on what is important at any given moment. The government and its ministers say and explain a lot. A major avalanche of information ensues. The average reader is unable to monitor everything that individual ministries, or even the government as a whole, are doing. At a given moment there are topics that are more interesting than others. There are topics whose proper presentation and explanation determines society's attitude toward the authorities, and those that are of interest only to certain milieus. Therefore, the point is to introduce a certain order to the process of providing information about the work of the government and other bodies. For example, if inflation is the most important topic at a given time, efforts should be concentrated on explaining why it exists and how it should be combated. Coordination is essential, especially because there has never been any proper internal state link between individual government media.

[Lentowicz] That is the technical side of the matter, so to speak. Your letter to the Sejm marshal also says that we are on the threshold of a new order of information, something much broader than before.

[Urban] Many different decisions were reached at the "roundtable" concerning, among other things, the opposition's access to radio and television programs, and the transmission of election programs. Long-term plans include a new broadcasting law, allowing other radio and television stations than private ones. The laws on censorship and the press are due to be amended.

We take the new information order to mean broader possibilities for citizens to air their views by means of the creation of certain new rules and liberties, for example everyone's right to set up a periodical without the need to report what kind of periodical it is, free market prices of paper, unrestricted access to paper, and so on. That does not mean we are in favor of the commercialization of the press, in other words, making access to the press or to any other media dependent on the size of one's funds. What we have in mind is that the creation of a new system of information in the sphere of the media should be properly coordinated, and I have not even mentioned all the topics in this sphere, for example international agreements on receiving satellite television. Until now, all these matters were in the hands of different ministries. There is no point in treating each of them separately, because everything must form part of a single cohesive whole. Also, our colleagues cannot deal with the press, radio, and television separately. Even here, some kind of uniform government policy is required. Therefore, there is a need for a government representative who establishes a path of policy and then pursues it.

[Lentowicz] While on the subject of politics, you have lost two jobs for publishing certain articles. You lost the first job when PO PROSTU [QUITE SIMPLY] was shut down, and the second time you were fired by POLITYKA. Will this experience have any effect on your decisions as minister of information?

[Urban] Indeed, in my journalistic career, there were two periods in which I was fired from my job and not allowed to work for the press at all. But this experience has not stamped my fortunes permanently. In fact, I consider it advantageous, because it has not only made me more independent, but also less scared of losing a job. For I know I can take care of myself in hard times. However, in no way has this experience affected my present conduct as an employer. After all, the times when it was possible to fire a well-known journalist, which is what I was, at the whim of a chief editor and without even a talk are long gone. Those times have no connection with the present. When I suffered that experience, I applied a quality that is permanent and deserving of recommendation. I told myself: Do not shape your views on what is happening in Poland on the basis of your own misfortunes and your anger at having been kicked in the backside, for if emotions influence one's view of politics and the work of the authorities, the resultant picture is distorted and irrational.

[Lentowicz] In opinion polls conducted when you were still government spokesman, 20 percent of the respondents liked you, but almost 50 percent did not. Nevertheless, you have decided to run in the Sejm elections as nonparty candidate for constituency no. 1, in other words Warsaw city center. On whose support are you counting on the most?

[Urban] First of all, my position has improved since that opinion poll. Today, 28 percent of respondents say they like me, and 48 percent say they do not. I do not think the voters of Warsaw city center are a cross-section of the Polish population. By taking this risk, I am counting on those residents of this Warsaw district who wish to preserve a continuity, and desire a gradual implementation of the reforms which the Rakowski government has made more radical. My aim is also to prevent the balance of forces worked out at the "roundtable" from tipping in favor of the opposition. I am also counting on those citizens who do not want Poland to enter a stage of sharp political conflicts and clash of forces that may last for dozens of years. I am also reaching out to those who read my articles in POLITYKA for many years and are faithful to this paper, and to those who have monitored my work as press spokesman and have confidence in my qualifications. I think that the parliament should be occupied by politicians, not by people with nice faces who are known only from films and television. Finally, I am counting on those voters who value people with clear convictions and dislike schemers.

Minister Jastrzebski Discusses Economic Prospects

AU1705204889 Duesseldorf HANDELSBLATT ("Poland" Supplement) in German 17 May 89 pp B1-2

[Article by Dominik Jastrzebski, minister of foreign economic cooperation: "Doors Should Be Opened Wide to Foreign Enterprises"]

[Text] The new laws on general economic activities, the law on economic activities with foreign participation, and the new foreign exchange law, which have been adopted in the course of recent economic reforms, have created better working conditions both for Polish enterprises and foreign investors.

Poland's economic principles have been completely revised through economic reform. As a result, the state is no longer responsible for the enterprises. The state concentrates on the shaping of a development strategy and the creation of the economic and financial preconditions for the independent enterprises. At the beginning of this year, the license system for independent economic activities was completely abolished in Poland, which means that licenses will only be required in special cases in the future. As a matter of fact, there is no longer a state monopoly in the sphere of foreign trade. Foreign trade has been completely liberalized, and there are no longer any administrative impediments.

More Competition and Liberal Import Policy

Our economic philosophy is based on the principles of freedom, equality, and competition. Basically, every legal or natural person can engage in economic activities. The means and reserves will be used where they are most efficient, which is already the case today. This applies both to consumer goods and investment goods, to services, the flow of foreign exchange, the movement of capital, and ultimately also to labor. State influence on the actual economic activities is limited to a minimum. Basically, it is sufficient for someone who wants to engage in economic activities to notify the authorities, and in special cases not even this is necessary. State licenses are only required in special economic branches, as is the case in many other market-oriented countries.

Our government supports increasing competition as a logical consequence of the free market economy. This is even promoted by our antimonopolist policy, our liberal import policy, and the opening up of our economy to foreign investors. For this reason, I assume that the stimulation of economic reforms in Poland will also contribute to expanding goods traffic with the FRG and all other highly developed countries. Poland is interested in new forms of economic cooperation with foreign partners, in a higher level of cooperation and capital interrelations, and in economic joint ventures, such as joint stock companies. Increasing interest by our foreign partners in the expansion of cooperation with Polish enterprises and in the participation in our export-oriented restructuring and modernization program can be observed.

The planned modernization projects in our enterprises on the basis of amortization through the companies' own earnings, which require both material and financial participation by foreign partners, present an opportunity for foreign investors. Loans tied to specific projects and operations are increasingly becoming the basis of our trade. International institutions, such as the International Financial Corporation, of which Poland is also a member, and the World Bank, which prepares the financing of several projects in our country, are gradually becoming active in this sphere.

After the Soviet Union, the FRG is Poland's largest trade partner as regards the volume of turnover. The volume of the mutual exchange of goods, for example, is three times higher than that between Poland and Great Britain, nearly four times higher than trade between Poland and Italy, and over four times higher than trade between Poland and France. Thus, one could get the impression that possibilities of further activating economic relations between Warsaw and Bonn have nearly been exhausted. However, there are practically no limits to the expansion of trade and economic cooperation.

The turnover resulting from mutual trade between Poland and the FRG reached a high level last year, the same level that was reached in the record year of 1985. Thus, a 27-percent increase over the previous year was achieved, both in the sphere of exports and imports. Poland's exports to the FRG, which amounted to over DM3 billion, had never reached such a high level in the history of trade relations between the two countries. Thus, a certain psychological barrier as it were, which is linked with the limited possibilities of the Polish economy, has been overcome because it looked as if it were not possible to repeat the 1985 record values.

To describe last year's results as the climax or as the limits concerning possibilities for our partners would be tantamount to assessing developments in a pessimistic manner. This would imply that we content ourselves with leaving the traditional trade structures and forms of cooperation unchanged. However, if we realize that the far-reaching changes of the system that have been introduced will yield results in Poland's economic life and thus also have an impact on its foreign trade relations, this will also be reflected in our relations with our largest trade partner in the West, the FRG.

We will do everything in our power to increase the range of products in bilateral trade. I hope that the Polish industry, the sector of services, trades, and agriculture will expand their export offers, which in turn will contribute to a change in the traditional sales structures which are now based on products with a low degree of refinement. There are still considerable reserves in this field because Polish exports include much fewer products than the exports to the FRG by Poland's most important competitors.

Range of Products To Be Increased

We plan to establish unusual forms of cooperation, forms that we have not practiced so far in bilateral economic relations and which are an absolute novelty in Poland's contacts with other countries. In this connection, I would like to mention the comprehensive expansion of cooperation and joint capital investments in the Polish market. We have already seen initial, positive examples here. We would like to expand the range of our offers, and establish free trade zones and set up joint agencies that examine and finance investment projects. We will take a particularly positive attitude toward projects that provide for the investment of foreign capital in existing state enterprises.

I hope that the FRG companies that have been active in the Polish market for some time will show interest in spheres where new laws have made this possible, which would result in a further increase in bilateral trade.

All barriers that impeded economic activities and cooperation with foreign enterprises so far have been removed. We are open to all kinds of proposals. I would like to stress in this connection that the main obstacle to the further expansion of economic cooperation, of collaboration in industry and trade between our two countries is by no means the lack of attractive offers and ideas or lack of interest on the part of our partners, but fundamental difficulties in financing these transactions. We have a large number of proposals for investment projects on hand, which have been examined by neutral committees of experts. Some of the projects have even been assessed positively by the World Bank. We would like to invite all our foreign partners, including the FRG, to participate in these projects. We see good possibilities in the following spheres to essentially improve Poland's economy:

—Improving the technical basis for housing construction (new technologies, construction materials, fittings, materials for equipment);
—Producing and installing plants for protecting the environment that contribute to solving the ecological problems in Poland and its neighbor countries;
—Expanding the packaging industry (cellulose, cardboard, synthetic materials, thin sheet metal), with a special view to the needs in agriculture and the food sector.

To start these programs only under the aspect of pure trade calculations is completely out of the question in view of the current situation in our country, because considerable expenditure is required here. However, the start of these programs could be supported jointly by an investment bank, by a bank syndicate, or by a common financing agency, for example. The latter would be founded to assess the projects and their efficiency, to organize the financing, and to control the realization of the projects.

Poland, for its part, wants to encourage all spheres of the economy to make full use of all possibilities that the legal regulations provided in these spheres. To put it more simply, the entrepreneurial spirit of the leading Polish cadres, particularly in the sphere of state-owned enterprises, whose room to maneuver was most heavily restricted, should be revived.

In a Solo Attempt Without Loans

As far as the FRG is concerned, we expect it to support us in implementing our economic program, all the more so because it is also in the interest of the FRG's economy to make Poland a more stable country that is integrated into world economy to a greater extent. Our program provides for new possibilities of cooperation in trade and production, of which the FRG could make particular use because it is the country that is most familiar with the Polish market. The support should manifest itself in correcting the course of the FRG's debt policy that has been pursued so far. Being Poland's largest creditor country, the FRG could participate in a particularly pioneering and constructive manner in the joint search for a solution to our debt problem. The solution should contain both regulations concerning the old debts and new state guarantees for supplier's credits for Poland. The fact that a solution has not been achieved so far is responsible for the lack of dynamism and prospects in our bilateral economic relations. Poland's economy has been struggling for 8 years in a solo attempt, without loans and financial support from the West, and is facing many and varied difficulties and critical developments. It would clearly be an advantage for our Western trade partners if these problems could be overcome in the near future. This means that it is about time to find specific solutions.

Press Publishes Communique on Wage Indexation

AU1705141089 Warsaw RZECZPOSPOLITA (Supplement) in Polish 11 May 89 p 4

["Communique Issued by the Minister of Finance, and the Minister of Labor and Social Policy: Raising Wages in Relation to Movements in Retail Prices for Consumer Goods and Services (Indexation) in 1989"]

[Text] The stance on social and economic policy and institutional reforms adopted under the "roundtable" accords seeks to protect working people from increases in the cost of living and envisages raising wages in relation to changes in the retail prices of consumer goods and services (so-called wage indexation).

The raising of wages in the material production sphere is to be accomplished without violating workplace autonomy, current self-financing principles, and without diminishing the incentive functions of wages. It was agreed that wages would be increased in the second month of every quarter and that price movements in the previous quarter would be taken into account in doing this. The first indexation of wages will take place in the second quarter of 1989, in August of this year.

I. Principles for Increasing Wages in May 1989 in Relation to Movements in Retail Prices of Consumer Goods and Services

During the First Quarter of 1989

The fact that the amounts and dates of the increases in pay awarded by workplaces during the first quarter of 1989 varied (in some workplaces there were no increases at all) gives rise to the need to establish uniform conditions before introducing universal principles for granting wage increases linked to price movements. This will be accomplished by way of granting compensatory wage increases in May of this year. These increases will take account of movements in prices and wages in the first quarter of 1989.

The purpose of this adjustment is to make basic wage levels, as the fundamental component of wages, during the first quarter of 1989 rise by at least as much as the index for increases in consumer goods and services did during the same period, the index being adjusted by a coefficient of 0.8.

It is proposed that workplaces that do not come under the budgetary sphere institute compensatory pay increases according to the following general principles:

1. The basic wage levels for individual employees that were in force on 31 December 1988 should be multiplied by the percentage increase in prices after adjustment by a coefficient of 0.8.
2. Employees whose basic wage levels on 31 March 1989 were lower than the amount of the basic wage level on 31 December 1988 and the amount calculated in accordance with the principle set out in point 1 should have their basic wage level increased by the difference. If the basic wage level calculated in this way exceeds the maximum rate of pay on the plant wage scale for a given grade, the workplace should make an appropriate adjustment to the wage scale.
3. The increase in the basic wage level discussed in point 2 should occur in May 1989 and be made effective from 1 April 1989.
4. Wage levels that are determined in relation to the basic wage level will also be increased on 1 April 1989 in connection with the increase in the basic wage level.

The detailed principles applied in instituting compensatory pay increases will be independently determined by workplaces after taking account of enterprise financial circumstances and on the basis of agreements between enterprise organs and trade unions.

If the funds that an enterprise possesses for the payment of wages do not permit a compensatory wage increase in line with the 0.8 coefficient, then the coefficient has to be lowered. It is also possible to vary this coefficient within a workplace and to adjust the principles for instituting compensatory wage increases to suit forms of wage payment, existing organizational and technical conditions, wage structures, and plant wage policy. Workplaces can also determine which components of wages (apart from basic wages and those derived from them) should be covered by compensatory wage increases. It can also be expected that, in view of the rapid increase in wages during the first quarter of this year, compensatory increases projected for May will only apply to a few workers. It should also be stressed that wages, despite pay increases linked to price movements (indexation), are still awarded for work, and thus for the quantity and quality of work.

Bearing the above in mind, workplaces should see to increasing output and labor productivity and should exact appropriate standards of quality for goods and services, so as not to enhance inflationary processes.

II. Principles for Adjusting the Norm for Wage Growth

In connection with the introduction of mechanisms for the indexation of individual wages, an increase is envisaged in the norm for wages that are exempt from the tax levied on incomes in the third and fourth quarters of this year by an amount based on the actual growth in retail prices during the second and third quarters of this year.

The increase in the norm for wages will be based on the index for price growth provided by the Main Office of Statistics adjusted by a coefficient of 0.9, which means that 90 percent of the increase in retail prices in a given quarter will determine the growth in the norm for the following quarter.

The adoption of a coefficient for norm adjustment that is higher than individual indexation stems from the way in which a norm is established—the use of average quarterly indexes for price growth; and this year these indexes will be lower than those used for individual indexation.

That is why the adoption of a coefficient of 0.9 is essential for ensuring compatibility between the level of individual indexation and the level of funds for wages. In view of the fact that the growth in prices during the first quarter of this year did not exceed the price index projected by the annual plan for 1989, no changes are envisaged to the wage norm for this quarter.

III. Principles for Determining Indices for the Growth in Retail Prices for Consumer Goods and Service

The indices for retail prices of consumer goods and services calculated and issued by the Main Office of Statistics are deemed to provide the basis for determining the level of indexation with the following qualifications:

—the average level of price increases between the last month of the previous quarter and the last month of the quarter to which indexation applies (the average level of price growth between December 1988 and March 1989 in the case of compensatory increases) is taken to be the base in determining the level of adjustment to individual wage rates;
—adjustments to the norm for wages that are not subject to the tax levied on income will be based on the average rate of increase in prices for a given quarter compared with the average level of prices during the previous quarter.

Ceausescu on Working Visit to Mehedinti County

AGERPRES on Beginning of Visit

AU1105084489 Bucharest AGERPRES in English 0754 GMT 11 May 89

[Text] Bucharest AGERPRES 11/5/1989—In the morning of May 11, RCP [Romanian Communist Party] general secretary, president of Romania, Nicolae Ceausescu, and Mrs Elena Ceausescu started a working visit to Mehedinti County (south-western Romania).

The new working dialogue is devoted to the analysis of how action is taken in economic units in this part of the country for the exemplary fulfilment of the quantitative and qualitative indices of the plan for the first half of the year and the whole year, of other tasks.

The first economic unit to be visited was the chemical combine in the county seat.

The working visit continues.

Dialogue Held With Workers

AU1105201789 Bucharest AGERPRES in English 1910 GMT 11 May 89

["President Nicolae Ceausescu's Working Visit to Mehedinti County"—AGERPRES headline]

[Text] Bucharest AGERPRES 11/5/1989—The RCP [Romanian Communist Party] general secretary and Romania's president, Nicolae Ceausescu, and Mrs Elena Ceausescu started a working visit to Mehedinti County on Thursday, May 11.

The party general secretary's dialogue with the working people of Mehedinti is an opportunity to make a comprehensive analysis of the way in which action is taken in industry and agriculture to fulfil the production, export and investment plan for this year and to set measures for that county to fulfil, on qualitatively higher levels, the programmes for economic development and its tasks under the current five-year plan and to this make an increased contribution, in line with its strong material and human potential, to Romania's continuous flowering.

Owing to the policy of distributing the forces of production throughout the territory in a balanced manner, of harmoniously developing all counties, renewing changes have been wrought in Mehedinti, just like everywhere in Romania, in the period ushered in by the Ninth Congress of the RCP (held in 1965). A vast investment programme, to which more than 80 billion lei were allotted, was implemented successfully, a strong technical and material base being created in the economy of Mehedinti, which provided for an impetuous development of that county where the major economic sectors, those promoting technical progress in particular, are represented. The most telling proof of the dynamic course of this process is the fact that as against 1965 fixed assets in terms of value increased 32 times, industrial production eleven times and farm output threefold.

The development of the economy went hand in hand with deep-going social changes, which resulted in numerous new dwellings, schools, hospitals and commercial units, erected in all the localities of the county, in their continuous updating and embellishment, in the yearly rise in the standard of living of the people living and working in those lands.

Taking part in the visit are Emil Bobu, Ion Dinca, Gheorghe Oprea, Silviu Curticeanu, as well as ministers and executives of industrial central departments and of research and design institutes.

The working visit started at the chemical combine "Drobeta," a new and modern unit in Romania's industry. The analysis made there centered on questions related to the commissioning of the production units of the first development stage of the combine, which have turned operational, and the performance of the construction-assembly operations of the second stage. Emphasis was placed on the modern character of the technologies employed, which were worked out on the basis of research work conducted by Romanian experts, as well as on the high technical standard of the equipment and outfit, which were made in this country.

The party general secretary pointed out that firm measures were needed to improve the organization and management of production processes, that efforts should concentrate on the fulfillment of plan indicators, on higher economic efficiency.

During the visit the works on the construction site of the combine in the second development stage, the completion of which will double its production capacity, were outlined.

It was pointed out that according to the recommendations President Nicolae Ceausescu made during his previous working visit there technologies for the assembly of equipment and installations were improved, which provided for the reduction of the time spent on those works by half and for the sensible diminution of costs. It was recommended that projects for the second development stage should be revised, more efficient constructive solutions being applied and compact and modern installations being manufactured. President Nicolae Ceausescu also requested that a station for the production of hydrogen sulphide should be built on the combine site to contribute to the optimization of the supply of fabrication processes.

At the end of the visit to the combine, President Nicolae Ceausescu and Mrs Elena Ceausescu met members of the enterprise's working people's council, executive, construction workers, designers, researchers and other experts taking part in this working dialogue.

In consideration of the conclusions drawn during the visit, President Nicolae Ceausescu requested that the measures needed for the commissioning of the new units and the attainment of planned parameters should be taken as soon as possible.

The party general secretary set the responsibilities incumbent on government members and other executives that directly coordinate the activity aimed at carrying through the investment projects within the "Drobeta" chemical combine.

The visit continued at the Drobeta Turnu-Severin enterprise for electric stations, where an analysis was made of the way in which action is taken to fulfill the important targets incumbent on the collectivity of working people there from the national energy programme for the ensurance of the electric and thermal power needed, as well as the stage of fulfilling that important investment project and the actions taken to put the new units on line. The fact was stressed that recently the fourth generator set of 50 mw had been connected to the national electric grid system, putting the station's overall installed generating capacity at 200 mw. At present, all forces are concentrated on the other units of the station. A new boiler of 420 tons of steam per hour will soon go on line. Furthermore, the stress was laid on the special attention paid to the modernization of coal fuelled furnaces, the rise in the reliability and efficiency of installations.

Current concerns and the results scored in improving the operation of outfit, cutting back on specific consumption, eliminating fuel and electric power losses, properly organizing work and bettering the working personnel's training were outlined.

President Nicolae Ceausescu asked that firm measures be taken for the commissioning of the station at full capacity, for the reduction of technological consumption.

In the afternoon the visit included one of the plant farms of the Oprisor producer cooperative farm, a unit which—owing to the results scored in the last years both in cereals growing and in animal breeding and in other sectors—stands proof of the great resources of the Romanian socialist agriculture.

The working dialogue emphasised the increase of the economic strength of the farm and the development of the settlement in the territory of which many new dwellings have been built in the last years. Through the urban facilities provided and those envisaged in the programmes for the modernization of that settlement, inhabitants of oprisor commune will benefit of living conditions similar to those in towns.

The working visit continued to the Rogova state agricultural enterprise which holds an important share in the county's agriculture owing to its large plant and animal outputs.

A significant and comprehensive exhibition was seen round illustrative of the results scored by the state and cooperative agricultural units in Mehedinti county especially after the Ninth RCP Congress. Reference was made to the fact that following the allottment of important investment funds, the county's agriculture saw an intense modernization and mechanization process. Of the total arable area over 93,000 hectares are irrigated. Important drainage and soil-erosion control, land improvement and scarification as well as fertilization works were performed to increase the productive potential of the soil. The people working in the county's agriculture achieved ever bigger crops every year. So, as compared to 1965, the average per hectare corn and barley productions are about four times bigger, while maize production—almost eight times so. Significant increases were also recorded with other crops as well. Animal breeding holds an important share in the county's agriculture.

At the end of the visit President Nicolae Ceausescu appreciated the results scored by the people working in the county's agriculture and urged them to further work to improve and modernize the activity in agriculture.

Next, President Nicolae Ceausescu and Mrs Elena Ceausescu visited the shipbuild and hot-metal working enterprise.

In the last two decades that unit has changed, after large investments, into a modern, representative enterprise of Romania's shipbuilding industry, apt to manufacture a wide range of technical vessels—up to 7,500 dwt—both for the national economy and for export.

During the visit the barge no. 39 built on that shipyard started its voyage on the Danube to Constanta for sea tests. This is the third vessel of its type built for export this year.

The cutting and assembly workshops were visited next and the latest achievements of the shipyard were presented—all-incargo ships, tugboats and push boats, docks, barges, floating cranes—now in various fabrication stages.

Appreciating the efforts and results of the activity carried on by that collectivity to improve the products' quality, fulfil the important targets incumbent on them under the plan provisions, President Nicolae Ceausescu asked that further action be taken for the promotion and generalization of advanced working methods which should contribute to the reduction of specific materials consumption, of the ships' fabrication cycles, to the permanent improvement of the ships' quality.

The working visit in Mehedinti County continues.

Meets County RCP Bureau Members

AU1205145089 Bucharest AGERPRES in English 0904 GMT 12 May 89

["President Nicolae Ceausescu Meets With the Members of the Mehedinti County RCP Committee's Bureau"—AGERPRES headline]

[Text] Bucharest AGERPRES 12/5/1989—Nicolae Ceausescu, general secretary of the RCP [Romanian Communist Party], president of Romania, together with Mrs Elena Ceausescu, met on Thursday [11 May] evening with the members of the Bureau of the Mehedinti County RCP Committee.

The analysis started during the day in farm and industrial units continued in that frame and measures were established, based on the conclusions drawn, for the Mehedinti County to fulfil in the best of conditions its great tasks derived from the plan for 1989, from the priority programs, from the provisions of the current five-year plan.

Presenting the activity deployed by the county party organization, the first secretary of the county party committee, Constantin Dinu, and members of the bureau accounted for the way the plan indices were fulfilled, as well as of the objectives established in the domain of political, organizational, ideological and cultural-educative work. In that sense, emphasis was placed on the results scored in industry, with export, in agriculture and investment, in the other sectors.

Starting from the findings at the chemical combine and the electric power plants enterprise, President Nicolae Ceausescu stressed the conclusions reached, pointing out that they had to focus the attention of the county party committee and of the municipal party committee. The commissioning at capacity of the two large units is of outstanding importance, the party's general secretary said.

Then, the speaker assessed, based on the data presented, that in the first four months of the year—although a relatively good growth rate was recorded, there still were drawbacks in the industrial production.

In consideration of that situation, the party's general secretary requested that resolute steps be taken for perfect order to rule in the industry of Drobeta-Turnu Severin.

The party's general secretary then referred to aspects of farming activity, highlighting the need for adequate employment of all lands, for cultures to be properly maintained.

Based on the observations made during the visit in the Drobeta-Turnu Severin Municipality and Mehedinti County, President Nicolae Ceausescu requested the county party committee, the county people's council to work for a best possible administration of every unit, of every locality.

President Nicolae Ceausescu stressed at the close of the meeting that the Mehedinti County had a good party organization, a worker detachment with old traditions, that were able to ensure the soonest a general improvement of the whole activity and better results in all domains.

Ceausescu Visits County Units

AU1205161389 Bucharest AGERPRES in English 1517 GMT 12 May 89

["President Nicolae Ceausescu Visits Economic Units in Drobeta-Turnu Severin Municipality"—AGERPRES headline]

[Text] Bucharest AGERPRES 12/5/89—RCP [Romanian Communist Party] general secretary, Romania's President Nicolae Ceausescu and Mme Elena Ceausescu continued their working visit to Mehedinti County on Friday. The RCP and Romanian state leader's meeting with the collectivities of important enterprises in Drobeta-Turnu Severin was an opportunity to examine the major aspect of production development and modernization, the way in which the plan provisions are fulfilled and, with this as basis to establish a set of measures for a high-quality and highly efficient activity.

Emil Bobu and Silviu Curticeanu took part in the visit.

The first unit visited today was the car manufacturing enterprise where its basic problems were analysed, especially those related to the main plan indicators and the growth of economic efficiency. Considering that export holds an about two-thirds share in the enterprise's production, the party general secretary requested that firmer action should be taken to fulfil the contracts and orders on export production.

During the visit to the principal sections, reference was made to the most significant results of the action of organizing and updating production processes, with emphasis on its special effects on higher productivity, higher performances of cars and more substantial metal savings.

Stress was laid on the achievements in modernizing cars in accordance with world trends, more particularly as regards the reduction of their weight and the growth of their transport capacity. It was also stressed that the unit's technical and human potential and the experience acquired so far provided for the manufacture of a wide range of freight and passenger cars, in keeping with the international standards and with the foreign partners' demands.

The working dialogue continued at the metallurgical enterprise in Drobeta-Turnu Severin, a modern unit of the relevant Romanian industry, the newest in the industrial landscape of Mehedinti County, whose capacity will ultimately stand at 450,000 tons of small shapes a year. Quite recently a small-section continuous mill has been put on stream with a capacity of 250,000 tons annually, the first of the kind in the country. Now building and mounting workers are concentrated on completing works on the second rolling flow.

During the visit to the economic units in the county, President Nicolae Ceausescu talked with workers and experts, and inquired them about the way in which production work unfolds, just as about their working and living conditions.

At the end of the working visit to Mehedinti, a great civic rally was held in the county seat, Drobeta-Turnu Severin, which was attended by 60,000 working people in the municipality and in the neighbouring localities. The rally was addressed by President Nicolae Ceausescu.

Ceausescu Speech at Drobeta Rally

AU170508889 Bucharest SCINTEIA in Romanian 13 May 89 pp 1, 3

["Comrade Nicolae Ceausescu's Speech" at a mass rally in Drobeta-Turnu Severin in Mehedinti County on 12 May]

[Text] Dear comrades: To begin with, I would like to extend to you, participants in this big mass rally, and to all inhabitants of Drobeta-Turnu Severin Municipality and Mehedinti County warm greetings and best wishes, on behalf of the Central Committee of the Romanian Communist Party [RCP], the State Council, and the Government, and in my own behalf. [cheers, chants]

We are Drobeta-Turnu Severin Municipality and Mehedinti County, on a working visit. We visited several enterprises and two agricultural units; we met and talked with many working people about their activity to unflinchingly implement the decisions of the 13th RCP Congress and the party program provisions on building the comprehensively developed socialist society and ensuring Romania's progress toward communism. [cheers, chants]

Generally speaking, we gained good impressions from all we have seen during our visit here. We noted with great satisfaction that the working people of Drobeta-Turnu Severin Municipality and Mehedinti County are working in full unity, under the leadership of their party organizations, to commendably fulfill the plan for this year and the entire 5-year plan period. There is no doubt that the 12 percent production increase registered in the first 4 months is a good achievement; however, one should bear in mind that the plan provisions are much higher, as they take into consideration the new production capacities scheduled to be commissioned in the county.

We have gathered good impressions from our visit to the shipyards and railroad car factory, and we were positively impressed with the ongoing activity at the electric power station and with the efforts to commission the chemical combine, which must turn out a high-quality production of great importance for the national economy. [cheers, chants]

We also visited the new rolling mill, which, it is true, has been commissioned with a certain delay, but is scheduled to turn out, as soon as possible, a most important economic output, and will also contribute to increasing the overall industrial production of the county and the entire country.

Generally speaking, the industry in your municipality and county has registered a strong development in the years of socialism, particularly after the Ninth RCP Congress. The same applies to the entire industry of our fatherland, which, in the years of socialism, has increased almost 135 times, of which more than 120-fold after the Ninth RCP Congress. Therefore, one can say with justified pride that socialism and only socialism has created the necessary conditions to eliminate—in the relatively short historical period of only 40 years—the state of backwardness prevailing in Romania, as a result of the century-long imperialist and foreign domination and of the fact that the Romanian people had to pay tribute for a long time or give up part of its national income to imperialist monopolies, thus enriching the imperialists and capitalists, while the Romanians lived in poverty and misery. Only socialism has put an end to this state of affairs for good. [cheers, chants]

In the past, Mehedinti, like all of Oltenia and Moldavia, was among the most backward areas from the viewpoint of its socioeconomic development. Today, Mehedinti and Drobeta-Turnu Severin Municipality have turned into a strong industrial center, with a highly technological production of great importance to the entire national economy. Generally speaking, Oltenia—like Moldavia and the entire country—has become a strongly developed region and is playing an ever more important part in the overall development of our fatherland. Only socialism has achieved that, given the fact that the people have become full masters of the national riches, in their own home, and are independently and consciously building their own free future of well-being and happiness, without oppressors and exploiters. [cheers, chants]

Indeed, we have reached a high level of our country's socioeconomic development. We have significantly increased the people's material and intellectual standard living, we have built industrial enterprises and state and cooperative agricultural units, and we have built housing, hospitals, schools, cultural clubs, education and cultural centers. All this has made a contribution to the fatherland's comprehensive development aimed at raising the people's level of civilization and of material and intellectual well-being and raising our entire nation to an ever higher level of culture, civilization, and well-being. [cheers, chants]

Therefore, from this big mass rally, I would like to respond to allegations of certain circles abroad which are trying to belittle the realities of socialism and the revolutionary strength of the socialist principles governing the organization of socioeconomic activities by saying that Romania proves, through all its achievements, that there is no way back and that one cannot possibly raise the issue of privatizing—to use an expression that has become fashionable today—our wonderful industrial, agricultural, and social achievements, which would actually mean a return to capitalism. As far as Romania is concerned, capitalism has vanished forever. There is only one road ahead of us: forward along the RCP's revolutionary path toward socialism and communism. [cheers, chants]

Our party and people have chosen the socialist road with the strong conviction that reality has fully proved the correctness of this choice. Only along the socialist road will we raise our nation, with its more than 2 millenia-old history, to a new and higher level of civilization and life.

It is true that, particularly after the Ninth RCP Congress, in 1965, we put an end to certain old, dogmatic, conservative, and rigid concepts which actually proved to be anti-national, including the concept of a single model of socialist construction. At that time we embarked upon the road of building socialism in accordance with the general laws and principles of socialism, by applying them to concrete conditions and realities prevailing in Romania. We established new forms of economic leadership, on the basis of self-management and self-administration and we created a broad democratic and revolutionary system, in which the working people's councils, the general meetings, and the local and national bodies of our democratic organizations are an integral part of the activity of leading the entire socioeconomic activity with the people and for the people. Our revolutionary workers' democracy fully ensures the active participation of each citizen and working man from all spheres in running society and fulfilling the targets of the fatherland's development, in accordance with the unanimous will of our nation. [cheers, chants]

In continuously improving and perfecting the democratic leadership framework in all fields, we have always borne in mind, and continue to do so, the need to further enhance the revolutionary strength and awareness of our Communist Party, as the revolutionary political force of the entire nation. Only under the leadership of our Communist Party—with a history of almost 70 years of existence and almost 100 years since the establishment of the first workers' party in Romania—and only with a united and strong party, with a high revolutionary outlook and revolutionary activity of continuous struggle against the old and for the new, can we ensure our firm march forward toward the comprehensively developed socialist society and toward communism. [cheers, chants]

Our party was able to fulfill its historical mission by always working to ensure the unity of the workers class and the Romanian society's revolutionary forces. One should point out that the realization of the United Workers Front has always been a prime concern of our Communist Party. The great antifascist and antiwar demonstration of 50 years ago [1939 May Day demonstration in Bucharest—FBIS] could be organized, with its known success, only as a result of the existence of the United Workers' Front. Some 45 years ago, we achieved the United Workers' Front; in 1948, we set up the united party of the workers' class. Life and reality has shown that only in unity, through the achievement of the united revolutionary party of the workers' class and the whole nation, can we ensure our progress toward socialism and build socialism and communism. [cheers, chants]

Our party has always acted as a revolutionary party, being the initiator of all revolutionary changes in Romania. In order to continue to fulfill our mission in the future, the party must remain and further act as a revolutionary party. The socialist change and the fulfillment of the strategic goals of the party program and of communism cannot be achieved along the reformist path, but only through revolutionary struggle. We must and should keep up the revolutionary standards of the party, youth, trade unions, the Socialist Democracy and Unity Organization, and all mass and public organizations. Only by acting in a revolutionary spirit, will we be able to serve the fatherland and the whole nation's independence, well-being, and happiness. [cheers, chants]

It is in this spirit of the decisions adopted by last November's plenum and last April's Central Committee plenum that we will unfold the work, or better said the activity of preparing the 14th RCP Congress, which must outline new and revolutionary prospects up to the year 2000 and the first decades of the third millenium, into which our country will step as a comprehensively developed socialist society—with a an advanced economic, scientific, and cultural strength, and with a high material and intellectual living standard—determined to secure for itself a dignified and free place among the world's nations.

Esteemed comrades, at the beginning I mentioned that we have gained good impressions about the work of the party organizations and of working people in the towns and villages of your county, and in your municipality. However, at the same time, I must frankly say that we have also noted negative situations and that more determined action is necessary to eliminate certain negative situations, to ensure the modernization and proper organization of all activities, to improve the technical and qualitative standard of the entire production process, and to firmly apply the achievements of modern science and technology in all areas.

We must never forget that only on the basis of the most modern achievements of science and technology—both in Drobeta-Turnu Severin and throughout the country—will we be able to fulfill the targets of this year's plan and those of the overall 5-year plan, so that we arrive at the 14th RCP Congress with positive results in all areas. [cheers, chants]

We have discussed all these issues at length at two of your enterprises, which are just starting up their operations. We have had discussions with the other enterprises, too, and during last night's meeting with the county party committee bureau we discussed a number of problems regarding both industry and agriculture. Therefore, I do not want to dwell on them now. However, it is necessary that all these problems be thoroughly discussed within all party organizations, and that responsible action be taken, in a revolutionary spirit, to improve activities in all areas in the shortest time possible.

It is also necessary for us to do all we can to increase yields in agriculture, which has achieved certain positive results, because in the units I have seen I noted with great satisfaction good outputs; however, on the whole, we cannot be satisfied with the results in the county. It is possible and in a short time the county has to double itemized agricultural outputs, the quantity of grains and animal products. This is the only way to achieve the new agrarian revolution, to increase the contribution of agriculture to the development of the county and of our homeland in general, and to improve the well-being of our entire nation. [cheers, chants]

Esteemed comrades, I am familiar with the Mehedinti County and Drobeta-Turnu Severin party organization from 1936 and then from 1946. I know that here we had powerful party organizations which played an important role in our party's activity, including implementing the revolution for social and national liberation.

In the spirit of the revolutionary traditions of our party and of the party in your county and municipality, it is necessary for the party organization and the other organizations to perfect their activity in all areas and to raise the general level of militancy and activity of all working people in all areas. We must see to it that industry and agriculture in your county and municipality achieve much better results, so that they hold a more important place throughout the country and increase their contribution to our homeland's development in general, and to the fulfillment of the strategic targets and the party program of building the comprehensively developed socialist society and Romania's advance toward communism. [cheers, chants]

Esteemed comrades, while working to implement the plans and programs for our homeland's socioeconomic development, we always bear in mind that we must work with great determination and resolve to promote a policy of disarmament and peace, and to build a world in which each nation is able to develop freely, independently, without any outside interference. [cheers, chants]

Life has demonstrated, on the basis of undeniable facts, that only under conditions of peace, under conditions in which each people is focusing its main efforts on socioeconomic development, can we achieve socioeconomic progress, eliminate backwardness, and ensure an improvement in the level of development and civilization of each nation in general. This is why the struggle for disarmament and peace is a basic issue of today and for the future of the whole of mankind. [cheers, chants]

The nuclear weapons that exist today, and other weapons of mass destruction, and especially nuclear weapons that could be used in the case of a world war, will lead to the destruction of the very conditions for the existence of life on our planet. There is no other way for the survival of humanity than the way of completely eliminating nuclear weapons, chemical weapons, and other weapons of mass destruction, and radically reducing conventional weapons. Today disarmament is a vital requirement of the whole of mankind, it a requirement for the future and life of all mankind. [cheers, chants]

All this is being discussed a great deal at the international level. There are numerous bodies and international meetings dealing with this. Certain steps have been taken. I am referring to the agreements between the Soviet Union and the United States of America on the reduction or elimination of nuclear weapons and of the short-range missiles. As is well known, of the total of nuclear weapons, they represent a very small percentage. Tremendous stocks of more than 95 percent of the nuclear arsenal will remain intact and, according to all statements and calculations, will be able to destroy the whole of mankind several times over. As a matter of fact, we expected that after these agreements, progress would continue. Unfortunately, it seems that some people, afraid of the prospect of disarmament, of the losses of profits from an armament policy, and of the possibilities offered by a policy of nuclear blackmail and of force and dictate, have actually begun to back out. Without fear of being wrong, one can say that, in fact, after the conclusion of the accord I mentioned before there was and there continues a period of stagnation, even of regression, and there are actions aimed at reactivating the nuclear arms race.

NATO is actively discussing the modernization of the so-called short-range and tactical nuclear missiles. If this would be achieved, their potential of destruction would increase several times over compared with their current potential, and would completely cancel the effect of reducing short-range missiles, thus constituting an additional nuclear force beyond the one that has been eliminated.

This it why it is necessary to engage, together with all peoples in Europe and throughout the world, in an action of firm struggle against the modernization of the tactical and short-range nuclear missiles, for the initiation of negotiations to completely eliminate these weapons, too, and to continue the struggle to achieve an accord on reducing strategical nuclear weapons by 50 percent, and to completely eliminate all nuclear weapons by the year 2000.

This is the only way to survive and to ensure the existence of life on our planet. [cheers, chants]

This is why, from this big mass rally in this town and county, which have a historical name that recalls the existence of our people for more than 2 millenia in this part of the country, we call on all peoples in Europe, all political forces, governments, and heads of state to voice, on behalf of the peoples, of children, future generations, and the future of our nations, a determined no to all nuclear and chemical weapons. Let us work to ensure a peaceful future of well-being and happiness for our peoples and for the young generations; only in this way will we meet the requirements of the peoples, of life, and of the future. [cheers, chants]

Let us work and do all we can to achieve an accord—in the shortest time possible—on the reduction of conventional weapons by at least 50 percent, and on the reduction of military expenditure. Three years ago, Romania—through the decision of the entire nation—proceeded to a unilateral cut in these weapons. Other socialist countries have also taken such measures. We believe it is necessary for all nations in Europe to work to achieve a radical reduction of conventional weapons under strict international control in this respect, and in fact with respect to all weapons.

A complete halt must be put to nuclear testing. The policy of militarizing outer space must be renounced. Let us do all we can so that the tremendous sums of money spent on the arms race will be channeled—as a result of the reduction of military expenditure—toward the socioeconomic development of each nation and toward supporting the developing countries. There are numerous problems to be solved in a great number of countries: Unemployment, lack of housing, the fact that in numerous countries more than 20 percent of the young people have no secure jobs, and further and further problems, which are vital for a better life of each citizen and of each country; we must concern ourselves not with armament, but with solving this problem; let us do all we can so that socioeconomic cooperation among the European countries and other states will serve the progress and well-being of each nation and the strengthening of independence and sovereignty of each people. [cheers, chants]

We will take resolute steps to develop broad cooperation in economic, science, technology, culture, and all fields among all European peoples, on the basis of principles of equality, mutual respect, independence and sovereignty, so as to build a united Europe of independent and free nations. We do not wish and will never advocate a Europe in which the independence of peoples and nations will disappear. This would not be progress, but rather a move backward to slavery, colonialism, and imperialism. This is not the road of progress. The road of progress is that of equal and free cooperation among nations and of developing the independence of each country and people. Only such a united Europe of free and independent nations will be a strong Europe of progress, well-being, and peace. [cheers, chants]

We will take resolute steps to broadly develop cooperation among all Balkan countries, regardless of social system, in order to create a nuclear- and chemical-free region in this part of the world, without foreign military bases. The Balkans should become an area of peaceful cooperation among equal nations, as part and parcel of the process of equal cooperation among all nations in Europe and throughout the world. [cheers, chants]

I am here at the border with our neighbor, Yugoslavia. In view of the fact that good relations of cooperation have been established between our countries over the years, I would like to point out, with much satisfaction, that the long and fruitful cooperation with the Yugoslav party leadership and President Tito has laid the foundation for a broad bilateral cooperation and for the achievement of important targets, such as the electric power stations on the Danube, to mention just a few, which supply both nations with a lot of energy and are a symbol of friendship and of the policy of cooperation; they also represent a symbol of the huge existing opportunities for further expanding the good cooperation and friendship between Romania and Yugoslavia. [cheers, chants]

In this spirit, we also wish to expand relations with all our neighbors and all Balkan countries, with whom we have enjoyed good relations of cooperation for many a century. We should do our best to ensure that these relations become ever stronger and more durable in all fields. [cheers, chants]

We welcome the fact that steps have been taken to resolve certain international conflicts through negotiations. We hope that everything possible will be done to reach appropriate agreements on an end to all these conflicts, with a view to ensuring the independence and sovereignty of each nation. We believe that everything possible should be done to ensure that the negotiated resolution of problems and the enhancement of each nation's independence will not open the way to the penetration of other foreign powers in the respective area or country. We should do all we can to exclude foreign interference in the domestic affairs of other countries and any kind of foreign domination, which can only take mankind back to chaos and disorganization and to a new devastating war. [cheers, chants]

Romania firmly speaks out for eliminating underdevelopment and promoting a new economic policy which can facilitate the socioeconomic progress of each nation, eliminate underdevelopment, and create conditions for overall progress throughout the world. Only on the basis of a new international and political economic order and of the elimination of underdevelopment, can we ensure economic stability and facilitate the progress of each nation. One should completely remove the policy promoted by the imperialist monopolies and the big international banks, which impose on a certain country the type of socioeconomic development path and economic policy they want; the practice has only led to ruin and poverty, to the benefit of the great international monopolies and finances. It is necessary to promote a new financial policy, which should take into consideration the socioeconomic progress of the poorly developed nations, and to facilitate equal cooperation among all nations in the world. Only thus we will be able to ensure progress and economic stability throughout the world.

Esteemed comrades, international problems continue to be complex and serious. There are many, many problems to be solved. This requires a genuinely new thinking and a new world policy. And this means not just words, but deeds by completely renouncing the outdated thinking and policy. It is necessary to ensure the equal participation of all nations, big or small, in solving problems. The role of the developing countries, of nonaligned countries, and the role of small and medium-sized countries in general has to be enhanced. These countries must actively participate and firmly have their say in democratically solving the serious and complex international problems in the interests of all peoples, of peace, and cooperation.

The role of the United Nations must increase; it has to act in the interest of all nations on the basis of genuinely democratic principles and it must do all it can to create conditions, so that each people may participate actively in solving world problems. Only in this way will we be able to meet the desire for peace, cooperation, well-being, and happiness of all nations in the world.

We are firmly convinced that, acting together, the progressive forces and all peoples who desire peace can halt the outdated policy and ensure the triumph of reason, can achieve a new policy, impose disarmament and peace, and ensure the achievements of a better and more just world on our planet. [cheers, chants]

As far as Romania is concerned, consistent with the policy it has always promoted, it will firmly work to develop cooperation with all socialist countries to strengthen their unity and solidarity in order to work together in developing, on the basis of the socialist principles, our countries, and to intensify cooperation with the developing countries, and with the developed capitalist countries in the spirit of the principles of peaceful coexistence. We are firmly determined to actively participate in the international division of labor and to contribute to achieving a better and more just world.

With this conviction, we assure our friends everywhere and all peoples, that the Romanian people will always be active in the struggle for disarmament, for peace, and for a world of justice and equality, without weapons and without wars. [cheers, chants]

Esteemed comrades, from the very beginning I said that we have gained good impressions from the work of party organizations and the working people in Drobeta-Turnu Severin and Mehedinti. I repeat, we have gathered very good impressions from our meetings with the working people in your municipality and county and we were quite impressed with the reception extended to us everywhere, which we consider as an expression of the determination of the working people in Mehedinti and Drobeta-Turnu Severin to act in a spirit of full unity, like the rest of the nation, under the leadership of the party, to increase the contribution of your county and municipality to the general development of the fatherland. Therefore, I am convinced that you will take even firmer steps, in a revolutionary spirit, to improve all sectors of activity, so as to welcome the 45th anniversary of the revolution and the 14th RCP Congress with important results in all spheres of activity and occupy a front-ranking place in the great socialist competition for progress, socioeconomic development, socialism, and communism. [cheers, chants]

With this conviction, I wish you, all the working people in the county and municipality, ever better results and success in your activity, much health and happiness. [cheers, chants]

Pancevski Replaces Suvar as New President

AU1705134389 Belgrade Domestic Service in Serbo-Croatian 1327 GMT 17 May 89

[Text] We have just obtained the information broadcast by TANJUG saying that Milan Pancevski is the new president of the Central Committee Presidium of the League of Communists of Yugoslavia [LCY].

The LCY Central Committee Presidium elected Milan Pancevski new head of the Yugoslav party by secret ballot. There were two candidates: Milan Pancevski got 17 votes and Vasil Tupurkovski got 5. One vote was invalid.

Pancevski comes to the head of the Presidium in place of Stipe Suvar who was elected member of the SFRY Presidency the day before yesterday.

Gives Talk on Election

LD1705222489 Belgrade TANJUG in English 1835 GMT 17 May 89

[Text] Belgrade, May 17 (TANJUG)—The only possible foundations of Yugoslav development are a genuine reaffirmation of self-management and the position of the working class, equality, the brotherhood and unity of nations and nationalities, the federal character of the Yugoslav community, the operation of economic and market laws and the development of democracy, stressed Milan Pancevski on being elected to lead the Yugoslav party today.

Stressing that Yugoslavia faces the task of the creation of an ideologico-political and constitutional platform for the opening up of a new stage in the development of socialism, Pancevski said that these tasks must be implemented on a broader social plane, through preparations for the upcoming 14th, emergency congress of the League of Communists of Yugoslavia [LCY] and at the congress itself.

If the party is the genuine vanguard of the working class and a cohesive force of society, and if it expresses the class and historical interests of all Yugoslav nations and nationalities, it will strive for a united Yugoslavia, Pancevski stressed.

Any relationship which means courting nationalism and especially separatism and the disintegration of Yugoslavia, he said, represents a direct attack on every Yugoslav nation and nationality, on its vital interests and the interests of the working class of the country.

Milan Pancevski (54), a Macedonian, comes from a revolutionary working family. He has graduated from a secondary technical school and several political schools. Between 1953 and 1965 he performed functions in the economy, held several posts in the country's mass socio-political organisation, the Socialist Alliance, and in the LCY.

At the seventh congress of the League of Communists of Macedonia (LCM) he was elected member of the LCM Central Committee and became an executive secretary of the LCM Central Committee Presidency. At the following congress of Macedonian Communists Pancevski was elected LCM Central Committee secretary. In 1984-85 Pancevski was president of the Macedonian party.

Central Committee Plenum on Kosovo Reported

LD1705143189 Belgrade TANJUG Domestic Service in Serbo-Croatian 0840 GMT 17 May 89

[Text] Belgrade, 17 May (TANJUG)—In recent months Kosovo has been in the grip of major political unrest and under the most serious overt attack so far on the part of Albanian separatist nationalism which has shaken both the province and the entire country.

At our session today we need to comprehensively examine the resulting political situation whose seriousness and dramatic nature has forced us into imposing emergency measures in Kosovo. This situation must be viewed in the context of events which began with the mass protest gatherings in November and continued with the February strikes, culminating in hostile demonstrations in March organized by Albanian separatist nationalists. It should, however, also be examined in the light of counterrevolutionary activity which has been ongoing for years, and of mounting problems in the economic, social, and political sphere. The situation in Kosovo must also be viewed in light of the overall deterioration in the social and political situation in the country.

This was stated by Perko Vukotic, member of the League of Communists of Yugoslavia [LCY] Central Committee Presidium, in an introductory report at the 23d session of the LCY Central Committee which is discussing the current political situation in Kosovo and the LCY's tasks.

In Vukotic's view, the LCY's priority task at the moment is to create conditions for ending the emergency situation in the province. However, at the same time, resources must be channelled towards restoring intranational trust, halting and ending the emigration of Serbs and Montenegrins under duress, and toward resolving the main problems of Kosovo's development in line with the reform.

The main political feature of the recent events is an unprecedented resistance in the province on the part of Albanian nationalists and separatists to the policy of both the LCY and the SFRY. In effect, our socialist society and our model of federalism is under attack. Of the same purpose are the bitter resistance to constitutional changes in the Socialist Republic [SR] of Serbia and to the measures of the state organs aimed at thwarting counterrevolution. An organized attack was carried out in March with the aim of provoking an armed conflict and bloodshed and endangering the country's territorial integrity and constitutional order.

This destructive act, he stressed, was more serious than the counterrevolutionary events of 1981 in the degree of brutality, the number of casulaties, material damage and, in particular, political repercussions. The enemy took advantage of the crisis of conscience among the young which was provoked by nationalist indoctrination to a greater extent than in 1981 and also of the crisis of conscience among the working class in Kosovo caused primarily by the increasingly serious economic situation, the undeveloped political life, and the lack of information about and incorrect and malicious interpretations of the constitutional changes in Serbia and of the conclusions of the 17th session of the LCY Central Committee.

In this context Vukotic spoke about collusion between Albanian nationalists and separatists and individual bureacuratized officials and leading businessmen in Kosovo, about the manipulation of the people and the games played with their lives, and about serious material and other consequences.

However, they failed to win over the majority of the Albanian nationality. This has provided a solid foundation for our further political action. It has become obvious that the majority of the Albanian population in Kosovo does not side with separatist nationalism, that it is not against Yugoslavia or Serbia or against Yugoslav socialist society. The majority of Albanians want a peaceful and better life in togetherness and harmony with serbs, Montenegrins, and others in Kosovo. This is a goal shared with members of all nations and nationalities.

Having stressed that in recent months a battle has been waged in Kosovo to defend federal, Antifascist Council of the National Liberation of Yugoslavia [AVNOJ]-based Yugoslavia, its integrity, and constitutional system, Vukotic went on to say that the introduction of a state of emergency in the Socialist Autonomous Province [SAP] of Kosovo had been necessary as an ultimate and inevitable constitutional means. The LCY Central Committee Presidium fully supported the SFRY Presidency's special measures. However, neither the emergency measures nor a state of emergency are our goal in as regards Kosovo. We are striving toward bringing to an early end the exceptionally disrupted situation and lifting special measures with the view of creating stable conditions for a secure and peaceful life and for the normal functioning of the entire system.

Although the measures are aimed at restoring normality of the situation in the province, in production and other public activities, and in the province's political and social life, Vukotic continued, there is still danger of renewed deterioration in the security situation. This is borne out by various forms of continued activity by Albanian nationalists and separatists including intensive propaganda activity in the country and abroad and plans for new hostile actions with the aim of carrying out subversive and terrorist acts. The possibility of fresh attempts to organize demonstrations again must not be excluded.

Kosovo will continue to be burdened not just by political, moral, and other serious consequences but also by material damage of catastrophic proportions caused by idleness, strikes, and demonstrations. In the November 1988-March 1989 period Kosovo sustained large scale economic damage. This has unfortunately placed the working class of Kosovo in an even more difficult position. In addition to this there is the enormous cost of the emergency measures to be shared by the entire country. This is the price we have to pay for allowing the organizers and initiators of counterrevolution to act.

Summing up these assessments of past events we have to say that the LCY political action in Kosovo over a long past period has not yielded desired results. Moreover, it has even become increasingly difficult to live and survive in Kosovo, and this is not ony true for Serbs and Montenegrins, who are most threatened as a result of continuous aggressive activity and pressure by Albanian nationalists, but also for members of other nations and nationalities because of the exacerbation of mutual relations. Albanian nationalists also threaten members of their own nationality, even their most elementary freedoms, which has been openly shown in past events through various aspects of pressure and threats toward everyone who is not with them.

Kosovo is becoming an increasingly difficult Yugoslav problem. It takes increasingly more of our time, political, material, and even spiritual involvement. At the same time we have to admit that for a long period it has divided and opposed not only leaderships, but these divisions have affected almost every citizen. The situation in Kosovo is still in many ways worse and in very few ways better than in 1981. More than eight fruitless years have passed. They should not be repeated. In this connection working people and citizens of Yugoslavia express concern and trepidation and demand an urgent change in the situation. Constitutional changes in the SR of Serbia, greater unity in the Serbian League of Communists [LC] and in the LCY, cadre changes in the Kosovo LC, and political action undertaken recently, primarily in Kosovo, are leading to a better situation. But we should also bear in mind that the problems of Kosovo could have never been and could not be dealt with in isolation, that a deepening crisis in the country inevitably means a worse overall situation in Kosovo and vice versa, and that, our success in overcoming the Yugoslav crisis therefore also means a contribution toward Kosovo's stabilization and progress.

After these assessments we have to ask the question: Why could Albanian nationalism gain such force in Kosovo, why are we in the LC and other political organizations and state institutions constantly overtaken by the situation in Kosovo? Does the main problem lie in ourselves, in our shortcomings and mistakes, or is the enemy so strong? In a wider context the question is: Why is the LCY policy on Kosovo not being implemented?

Raising these questions, Vukotic also offered the following answers:

First, we must be aware that we are facing long-term, hostile activity against Kosovo and Yugoslavia and that we should not for an instant be surprised and overtaken by events as it used to happen in the past. The main centers from which nationalistic and other hostile actions of Albanian nationalism are undertaken and directed, primarily in Kosovo, have not yet been fully identified and thwarted, even after so many years. Until they are uncovered and finally eliminated, there will be no peace in Kosovo.

The events of last March did not come out of the blue but, unfortunately, due to opportunism, in particular of the Kosovo organs, not everything possible was done to prevent them. This in particular refers to the past leadership of the Kosovo LC, which created obstructions and failed to uncover on time the political background of the November events and thereby make it possible to halt energetically the further exacerbation of the situation. It was much more difficult to carry out the LCY actions because of a lack of unity on some essential elements of the political assessments of the February strikes. This provoked various unnecessary confrontations and in objective terms created conditions for the encouraged Albanian nationalism to move forward. However, in the LCY we have, recently in particular, succeeded in creating a considerably higher degree of unity on this issue, too, which should mark today's plenum and all our further work.

Second, the process of separating Kosovo from Serbia went on for decades, and thereby of separating Kosovo from Yugoslavia, both along the line of state and political organizations. This is primarily the activity of a particular type of bureaucratic separatism in the Kosovo leadership. Separation was the credo of many leaders and particular leaderships in Kosovo, in particular with the stand "as far as possible for Serbia," and with the aim of consolidating their own etatist strength, seizing power, and taking the biggest possible material advantage in controlling the funds for the development of Kosovo, which are sent from the entire country.

The creators of such a policy have been mistakenly leading Kosovo toward some kind of its own statehood which, however, could not have been legally established since it was contrary to our constitutional order. But, in many ways they have in fact managed to distance Kosovo from the functions of the republic and federation. That is why the state, in its vital functions, has for years been almost nonexistant in Kosovo.

It has been drastically shown, by the events referred to it, to what extent all this has objectively helped Albanian nationalism and its aims.

The constitutional changes in the SR of Serbia created new opportunities for this republic to use the means of the state with the rule of law on its entire territory to protect constitutional rights and freedoms of citizens and the free life for each person, to create conditions for a much bigger integration and thereby speedier and more successful development of Kosovo within this republic and the entire country, to strengthen unity and togetherness in the SR of Serbia, to implement the constitutional responsibility of the republic for the development of Kosovo and, at the same time to realize the full constitutional autonomy of Kosovo. This is a big result of the LCY policy with which a qualitatively different role and responsibility of the Republic of Serbia and the Serbian LC as a unified organization toward Kosovo was established.

Third, an improper development policy was implemented in Kosovo and the consequences of the agreement on economic policy are particularly grave which, considering Kosovo's exceptional underdevelopment, resulted in an especially unfavorable situation. In the crisis thus created, Kosovo is burdened by pronounced economic underdevelopment, unfavorable economic structure, low economic efficiency, and a high degree of irrationality of investments. Therefore, the real effects of economic assistance provided by Yugoslavia are not felt. Kosovo is also burdened by the social deprivation of the widest strata of the population, the lack of the population policy, unhalted demographic explosion, mass unemployment, and an inadequate policy for educating cadres.

The situation is very difficult in the entire area of superstructure, which is without a safe material basis and is exceptionally burdened by the consequences of long-term activity by Albanian nationalists in education, science, culture, and health. The Yugoslav program, which is the central point of our long-term policy to help Kosovo deal with its essential problems, in particular from the viewpoint of halting the emigration of Serbs and Montenegrins, creating conditions for the return of those who emigrated and for the arrival of those who wish to live and work in Kosovo, is also in crisis and its implementation has been additionally delayed during and after the recent events. New problems in connection with the program have emerged.

Fourth, in past years the Kosovo LC and leaderships of the province practically did not implement LCY policy. Their actions were marked by protectiveness, opportunism, and expectations. Instead of carrying out responsibility, the slogan of protecting cadres was enforced. It was not clear who held which positions especially regarding demarcration from nationalism. This was also the case with tasks of the 17th LCY Central Committee session. The tasks were carried out slowly, despite the issued statutory measures against bodies of the Kosovo LC and constant efforts and help of the Serbian LC Central Committee and the Presidium of the LCY Central Committee in implementing these tasks. Such efforts were frequently understood as outside pressure. When action to implement the tasks started to be carried out resolutely, after the Kosovo LC leadership was renewed, it was met by organized resistance, and even by revolt, headed by Albanian nationalists and separatists.

A new attitude toward the LCY policy in the Kosovo LC is coming to the fore. A unified assessment of the last events has been reached, and a readiness has been expressed to resolutely fight Albanian separatism, as well as any other nationalism, without divisions on a national basis within the Kosovo LC Provincial Committee, and with a unified assessment of the nature of these events among the bodies of the Kosovo LC, the Serbian LC, and the LCY. This does not leave any more room for political speculation and inconsistencies, for opportunism, and avoidance of responsibility.

Fifth, the weakest point in the activity of the Kosovo LC is political activity of communists and other organized socialist forces in interpreting the LCY policy and in the struggle for its acceptance and implementation, as well as in protecting people from the pressure of Albanian nationalists.

The extended absence of organized political work among the young generation of Albanians has had particularly catastrophic consequences. The struggle against nationalism cannot be fought in closed political bodies, as it has been done until recently, because this, in fact, amounts only to an illusory struggle. It is most worrying that instead of building up a united front of Albanians, Serbs, Montenegrins, and others living in Kosovo to carry out specific tasks on improving the quality of life, widespread divisions on a national basis in political and social life have occured, divisions which afflicted the LC organization in Kosovo and which led to dramatic ultranational distrust. This situation must change. People must live more harmoniously, fighting each other less.

Furthermore, Vukotic said that the escalation of Albanian nationalism since November to the present has made the position of Serbs and Montenegrins in Kosovo objectively more difficult and jeopardized opportunities for their normal work in enterprises and institutions, regular schooling of children, their life and survival. Despite the measures taken, people are leaving Kosovo with unrelenting intensivity. Our policy in Kosovo cannot succeed, as long as emigration under pressure continues.

The LC, together with all progressive forces, not Serbian and Montenegrin nationalists, must open up a road for the survival of Serbs and Montenegrins in Kosovo and provide conditions for their peaceful and safe existence free from Albanian nationalist pressures. Serbian and Montenegrin nationalists view the threat to Serbs and Montenegrins as a cause for launching their actions by spreading the thesis that there can be no life together in Kosovo with Albanians, that the Albanian nationality is guilty of everything, and that therefore their national rights should be curtailed. Political action must prevent the creation of an anti-Albanian mood, proceeding from the fundamental principles of LCY policy regarding intranational relations: The principle of full freedom and equality, which means that no nation or nationality can or must bear collective responsibility for crimes and damage [word indistinct], Vukotic underscored.

Talking about Yugoslavia overall, in which the economic and political crisis brought to light all nationalisms, caused waves of anticommunism and the spreading of mistrust in the LC, in the federal set-up and in the general conception of our socialism, and caused the crisis of socialist and Yugoslav-oriented consciousness and many conflicts in the country. Vukotic said that in this atmosphere, the difficult situation in Kosovo has been exacerbated further and that Serbian and other nationalisms have found motives and scope for their increasingly more aggressive actions.

Reviewing ideopolitical and action unity—that is, disunity in the LCY regarding Kosovo—Perko Vukotic, member of the LCY Central Committee Presidium, said that the Central Committee has never brought into question the political platform and other documents about Kosovo which have been adopted by LCY bodies. Apparently, we adopted unified stances on Kosovo and we even demand their resolute implementation. In practice, however, we did not have the same attitude toward them; we did not understand their content in the same way; we did not sufficiently carry out united action in all parts of the LCY. This was manifest especially in some dramatic situations when many stances were questioned and denied. Regarding the miners strike in Kosovo and the introduction of the special measures, many major misunderstandings arose, as well as many failed actions which, regardless of their motivation, caused enormous political damage in the most difficult moments in Kosovo. Such misunderstandings and differences must be clarified and overcome on time, so that there is no scope for confrontations between LCY groups and so that disunity over implementation of the platform and stances of the LCY on Kosovo is not created. The LCY Central Committee and its Presidium and the republican and provincial LC's are most responsible for this.

Regarding the public information media, according to Vukotic, in the past period they have made a significant contribution toward a comprehensive view of the situation in Kosovo, although some public information media have presented the situation in Kosovo as less serious, and some wrote in such way that one could not see a clear line against Albanian nationalism and seperatism and its counterrevolutionary activity. This is especially true about the Albanian public information media, among which some even supported nationalist actions. On the other hand, some information media only look for black areas in Kosovo, and some look at Kosovo as a far and unknown place, almost foreign and unimportant. Some information media cause confusion by manipulating the public and contribute to divisions in the country. Some of them continue such activity even today.

All our public information media are obliged to contribute to the implementation of Yugoslav policy on Kosovo and struggle for a stable situation in the province, Vukotic stressed. They must eliminate unfounded divisions and confrontations, which burden unity and the vigor of political work. This is exploited by Albanian nationalists and separatists and by other hostile forces.

Vukotic went on to say that the prolonged crisis in Kosovo and other adverse tendencies in the country have had an unfavorable effect on our reputation in the world and there is evidence, among certain circles abroad, of various calculations and political speculations and even attempts to internationalize the Kosovo problem and use it as a form of political pressure on Yugoslavia. Particular determination has been shown by hostile Albanian emigres who have even been engaged in direct politically subversive activities. At the same time, neighboring Albania continues its hypocritical policy toward Yugoslavia but with a greater degree of aggressiveness than before and its more overt claims on Kosovo. It supports the slogan "The Republic of Kosovo" as the main goal of Albanian nationalists and separatists thus encouraging their aspirations and activities as well as the illegal subversive activity and propaganda on the part of hostile Albanian emigres. We are, in effect, faced with a policy of interference in our internal affairs under the flimsy pretext of concern for the allegedly disenfranchized population of Albanian nationality in Yugoslavia.

As a result, confusion and erroneous impressions have been created among a section of the international public. We must again reiterate the need for Yugoslavia to promote, in an objective and well-argued manner, the results of its policy of full equality for all the nations and nationalities and all the achievements of our community in the area of national and human rights and freedoms, especially the position and rights of the Albanian nationality in Kosovo and in Yugoslavia. And these results and achievements are genuinely exceptional and cannot be denied.

Speaking about the LCY's immediate tasks, Vukotic submitted a proposal by the LCY Central Committee Presidium that no new conclusions on Kosovo be adopted at today's session since documents and conclusions of this kind exist in abundance. The way out is not found by adopting new stands while pursuing old behavior. The key lies in our unity: United and determined we shall implement that which was declared LCY policy. Otherwise, we shall suffer new defeats in Kosovo and because of Kosovo.

To this end we must give unanimous support and help to the renewed leadership in the Kosovo LC to enable it to continue its activity in implementing the LCY policy on Kosovo in a consistent, decisive, and comprehensive way and to the leadership of the Serbian LC which has also been investing enormous efforts to this end. Support by this Central Committee must continue through the direct involvement of its members and members of its Presidium in helping the LC organizations and organs in Kosovo. The circumstances are such that we can all work together and be united among the working people and citizens of all our nations and nationalities in Kosovo and along the lines of the LCY policy.

Summing up the LCY's coming activities stemming directly from recent developments in the situation in Kosovo, Vukotic said:

First, the most urgent task facing the LCY is the elimination of national divisions from Kosovo's political life and, in the LC in particular, the prevention of the formation of nationality-based groups within the LC organizations and organs, in the trade union organization, the Socialist Alliance, and all other organizations. It is not silence over what led to divisions but democratic political dialogue which will help us to attain this goal. In order to restore trust people have to work together in political organizations and talk about what troubles and divides them.

At this juncture the LC organizations and organs must aim to establish jointly specific action programs in local communities, municipalities, and all work environments because it is necessary to deal with the burning economic, social, and other problems caused by the recent events in Kosovo. We are on the threshold of a social reform, elections in the LC assembly elections, etc. On these questions political organizations must create joint political programs and a joint front of action among the people.

Second, in accordance with the conclusions of the 17th LCY Central Committee session the tasks on ideopolitical responsibility in Kosovo should be implemented efficiently and within the established deadlines so that a space is created as soon as possible for a political action based on the key points of our policy on Kosovo. Also, the process of cadre rejuvenation in Kosovo will take place at the next party elections. All this together should strengthen party organizations and make them capable of dealing with exceptionally difficult and complex tasks.

Third, there are urgent tasks to which the LC will make its full contribution so that new solutions in the Constitution of the SR of Serbia are implemented efficiently in Kosovo and the SR of Serbia. On the basis of these tasks, forces and efforts in the republic should be united in establishing legal security in the SAP of Kosovo, legality in work, and responsibility of state and other organs. Constitutional changes in the SR of Serbia must show in practice, and as soon as possible, that they are equally in the interest of all citizens, regardless of their nationality. In this way, the remaining doubts and fears of insufficiently informed Albanians that the changes are allegedly directed against them should be eliminated. The greatest responsibility for this is borne by communists in the organs of the SR of Serbia.

Fourth, at this juncture, from the viewpoint of long-term prospects, economic and development problems of Kosovo are among the central issues of our action, and here, obviously, priority should be given to the Yugoslav program in connection with which there are really many tasks. I would like only to mention the question of updating it in accordance with constitutional and other changes which have emerged, as well doing everything possible in the SFRY Assembly and in other appropriate institutions to revive economic cooperation and other actions which were halted by the recent disturbances and by the crisis situation in Kosovo from which, naturally, capital is running away in this country as well as anywhere in the world.

Of course, there is still a whole series of very major tasks, such as changing the development conception and economic structure of Kosovo, social and educational policy, and so on. In this connection, it is necessary to point out the already established tasks of defining and realizing the population policy.

We shall also discuss Kosovo at the extraordinary 14th LCY Congress. At that time the situation in Kosovo should be better and the results, bringing a higher quality of life for every person—Albanian, Serbian, Montenegrin, Muslim, Croat, Turk and all others—should be apparent. Only with such results can Kosovo emerge from the present crisis. Without this we shall discredit the LCY and our policy because people have had enough of words, slogans, appeals, assurances, and in particular of arguements, divisions, and confrontations.

We should unite our efforts and resolutely, on unified bases and with a common interest, help the working people and citizens of the province realize their natural aspiration to live better and be better off, in peace and harmony, free from nationalistic pressures and fear of the future. In view of this aim, I am convinced that it is necessary to achieve greater integrity of the Socialist Autonomous Province of Kosovo in the SR of Serbia and Yugoslavia, as well as a considerably stronger presence of Yugoslavia in Kosovo, not only in political, but also in the economic, social, cultural, scientific, and educational areas. With joint action and results, we must strengthen the faith of all people in Kosovo, in the SFRY as a shared country and a shared fate, just as the Yugoslav community believes in a better future for Kosovo, Perko Vukotic concluded.

No Adoption of Operative Tasks at LCY Plenum

LD1805025289 Belgrade TANJUG in English 0249 GMT 18 May 89

[Text] Belgrade, May 17 (TANJUG)—The session of the Central Committee of the League of Communists of Yugoslavia (LCY) on Kosovo, the southern province of the republic of Serbia, ended here in the early hours of Thursday without adopting the so-called operative tasks for the activity of Communists in the province where the Yugoslav State Presidency introduced special measures in late February.

Since 101 members of the 165-member body were present at the session when the document was put up for debate—less than two-thirds required by the party statute—it will be adopted at the next LCY Central Committee session.

Towards the end of the session Slovenian party leader Milan Kucan criticized Stanko Radmilovic, LCY Presidency member from Serbia's northern Province of Vojvodina, for his disqualifying tone in assessing the political situation in Slovenia.

Kucan said he could not agree with Radmilovic because "he does not allow for any tolerance in the thinking about a new (Yugoslav) constitution". It is not possible to say now what kind of a constitution we will have, said Kucan and added that all the republics will reach agreement on the issue in a democratic manner.

On his part, Radmilovic said that Kucan did not interpret him correctly.

Franc Setinc of Slovenia, who resigned from the LCY Presidency a few months ago, said he was not convinced that the arrest of Azem Vllasi, Kosovo party leader until a year ago, was justified, to which Tomislav Radovic of Kosovo replied that the Vllasi case is being investigated by responsible organs.

Smiljkovic, Belgrade City Delegation in Berlin

AU1705193489 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 17 May 89

[Text] A delegation of the City Committee of the League of Communists of Belgrade, headed by Rados Smiljkovic, president of the committee, has arrived in Berlin. The guests were met at Schoenefeld Airport by Guenter Schabowski, member of the Politburo and secretary of the Socialist Unity Party of Germany.

The guests and the hosts will discuss the cooperation between the party organizations of Belgrade and Berlin and other questions. The delegation of the Belgrade City Committee will also meet representatives of political, scientific, and cultural life of the GDR capital. It is envisaged that Rados Smiljkovic will address a meeting of the Berlin party aktiv.

In addition to Berlin, the delegation will visit Potsdam and Dresden.

Kosovo Presidency Praises State Security Organs

LD1705204489 Belgrade TANJUG Domestic Service in Serbo-Croatian 1531 GMT 17 May 89

[Text] Pristina, 17 May (TANJUG)—The Kosovo State Security Service efficiently carried out tasks to protect the constitutional setup and to oppose and halt hostile activities, making an important contribution to uncovering and preventing all forms of pressure aimed at the emigration of Serbs and Montengrins from Kosovo. This is the assessment of a session of the Presidency of the Socialist Autonomous Province of Kosovo, which at today's session adopted a report on the work of the State Security Service of the provincial Secretariat for Internal Affairs for 1988 and the basic program orientations for this year.

During the last year, the statement stressed, the State Security Service of the Kosovo Secretariat for Internal Affairs worked in exceptionally complex political and security conditions, burdened by continued hostile activity by Albanian nationalists and separatists and unfavorable economic conditions.

Insufficient and inefficient political action, the Presidency session assessed, and particularly the unfavorable social and political climate during the public debate on the amendments to the Constitution of the Socialist Republic of Serbia and the Constitution of the Socialist Autonomous Province of Kosovo, intranational division, and the November protest gatherings and demonstrations by ethnic Albanians, created opportunity for actions by Albanian nationalists and separatists and hindered the work of the State Security Service. It suffered from shortcomings, which were the reason for undertaking concrete measures against the most responsible individuals.

The working conditions of the State Security Service will be difficult and complex this year, the Presidency of the Socialist Autonomous Province warned, and they will demand exceptional efforts by members of the security bodies. This demands the further strengthening of the State Security Service, the consolidation of its cadres, and the necessary expansion and consolidation of the system of social self-protection. The need was especially emphasized for including all working people and citizens in a more efficient prevention of all actions by destructive forces aimed at undermining and destroying our socialist self-managing system.

At today's session, the Presidency of the Socialist Autonomous Province of Kosovo decided to pardon several sentenced persons.

Serbian Writers View Democratic Rights, Freedoms

AU1705145189 Belgrade BORBA in Serbo-Croatian 11 May 89 p 4

[Statement by the Board of the Serbian Writers Association issued on 10 May: "Serbia and Democracy, Yesterday, Today, and Tomorrow"]

[Excerpts] In days when the Serbian people are again deciding about their own political social and state destiny, the Board of the Serbian Writers Association is presenting to the public its stands and proposals for the establishment and development of democratic political rights and freedoms in our country. [passage omitted]

A new Yugoslavia was set up during and after World War II. After a short-lived, unequal, and illusory coalition between the Communist Party of Yugoslavia and the remnants of the civilian parties in the People's Front, Yugoslavia quickly became one of the states of the so-called people's democracy with the full political power and ideological monopoly of the Communist Party and elements of the personal rule of Josip Broz Tito. Through the conflict with the Cominform, economic and cultural opening up toward the world, a freer passport policy, a certain limiting of the political police, and the incipient liberalization of scientific and cultural life, the regime was considerably moderated in comparison with the regimes in the other states of real socialism. Despite the introduction of self-management, Yugoslavia remained a state with single-party rule without the institution of democratic elections at which the people could freely choose between different political programs. The country which was the first to begin criticizing Stalinism and liberalizing, came to a halt along this road and today looks on as some countries of real socialism like Hungary and Poland are beginning to take the lead in political freedoms.

After 45 years of the uninterrupted rule of one party, the country found itself on the verge of economic disaster and at one of the lowest levels of economic development in Europe, involved in extremely tense interethnic conflicts, without any prospects for development and progress, as a chronically ill patient in the modern world. One of the essential factors and causes of the general Yugoslav crisis was also the absence, for a long time, of democratic rights and freedoms. The monopoly on making political, foreign policy, and economic decisions, the ban on the representation and open competition of alternative programs, narrow-minded self-isolation from the currents of world progress accompanied by megalomaniacal and, in practice, unfounded self-confidence in the superiority of its own system—a single officially permitted ideology which has become obsolete in many respects and is conservatively unresponsive to new things—and the favoring and careerism of the devoted and obedient to the detriment of the capable and independent has prevented the public supervision and prompt prevention of wrong moves by the authorities on the part of the public, the opposition, and the free press.

The Serbian intelligentsia considers that it is its duty, in the best tradition of its predecessors, to remain alert concerning the destiny of the people and to contribute to the best of its abilities to its spiritual and political recovery. It also considers that had its timely warnings been seriously and responsibly considered, the unforeseeable Kosovo tragedy and the constitutional disintegration of Serbia could have been avoided. For the sake of recollection, we are citing the numerous democratic demands of the Serbian intelligentsia and Serbian writers which were made quite a long time before they were voiced in other parts of Yugoslavia. These demands support the amnesty of political prisoners, the scrapping of the verbal offense and moral-political suitability, the end of citizen's idolatrous relay races, the introduction of a law-governed state and independent judiciary, the protection of the freedom of thought and expression, the defense of artistic freedom, the advocacy of the revision and annulment of unjust court judgments, protest evenings of solidarity and support for the threatened Serbs in Kosovo and Metohija, the incomplete and forced halt to work on the Memorandum of the Academy of Science, and the proposal of the Serbia Writers Association for constitutional changes and the introduction of political and civil freedoms. Most of these initiatives were prevented from spreading into the public and were violently condemned by official politicians and the subservient press, and the state organs to which the proposals, demands, and petitions were addressed did not find it necessary to reply to them even though they are obliged to do this by specific constitutional provisions.

We live in a time in which the historical blunder of the socialism that has been established has been revealed. In its ideological humanist project, the socialist movement has promised humankind more bread, freedom, and social security. In its realization, in real life, today it cannot stand up in this respect to comparison with its antagonist, a system of liberal democratic parliamentary government. Many socialist countries are beginning to perceive and attempt ways out through economic and political reforms.

In Yugoslavia which was the first to begin the reforms, public recognition of the open crisis has prevailed for almost a whole decade, as well as the fact that the country is at a crossroads and must again choose its future political destiny.

Let us choose it reasonably, calmly, and effectively.

The Serbian people have today moved out of their long-term political passivity and national depression. The struggle for the constitutional unification of Serbia ended almost half a century of subservient lethargy, and important results were achieved in ending inequality and establishing unity in a fragmented republic of artificially and unnatural belligerent parts. Now that Yugoslavia is no longer able and will not be able in the future to be without the important voice and influence of the republic of Serbia, the Serbian public should persist in the struggle for political democracy in Yugoslavia.

With the most significant democratic traditions of all the Balkan peoples, the people have no reason today to support the limitation of democracy and all the traditional and contemporary developmental endeavors of the age for its full introduction. The serious crisis requires this, the international situation facilitates it, and progress and the future demand it. After all the humanly tragic and civilizationally lethal experiences with the suppression of freedom in socialism, the development of our country is today threatened above all by the absence of freedom and democracy.

Modern political thinkers in the West justifiably criticize the absence of parliamentary democracy and rightly demand a more perfect and just society but they do this with already achieved and guaranteed political and civil freedoms. Those who support the idea that we do not need a multiparty parliamentary system with an opposition because we are constructing a more just society, lose sight of the simple and clear fact that the one who can do more, must also be able to do less.

There are two opposing political movements in Yugoslavia today which, while striving for one principle of democracy, are contesting another one in a contradictory way. The movement in some parts of Yugoslavia which supports political pluralism does not accept the basic democratic principle of one person, one vote. This movement somehow thinks that the will of the people which is freely expressed at public meetings is not the legitimate one but the movement which thinks that the will of the people is a basic democratic institution, has in its ranks some supporters—fortunately not all its supporters and we hope that they are not a deciding factor—who refute the right of that same people to freely associate politically. Democracy in fact consists of the harmonious linking of these two principles.

Therefore we are suggesting that in its future development, Serbia introduce and apply and propose, support, and defend in the common state of Yugoslavia the following democratic principles:

The introduction of the rule of the rights and consistent adherence to the principles of a law-governed state;
The scrapping of the single-party system of the political, ideological, and social monopoly of the Communist Party and the favored position of its members;
The inviolability of civil rights, the real equality of all citizens before the law, and the right to elect and be elected to all posts regardless of party membership;
An independent and objective judiciary;
Freedom of the press;
The full political, religious, and economic equality of all Yugoslav peoples;

Equality before the law and the civil equality of the members of national minorities and the guarantee of their political, cultural, and national rights—rights, at the level that has been reached in the most democratic states in the modern world, which never implies the right of a national minority to the institution of state sovereignty, and which almost led to the creation of a second Albanian state on the territory of Serbia with the 1974 Constitution;

The guarantee of the national rights of the members of the Yugoslav peoples who live in other republics (for example Serbs in Croatia and Croats in Serbia) including the natural right to belong to one's people and for the home republic to take care of the reciprocal respect of these rights.

As the most effective guarantee of these principles and an essential instrument of public supervision of the authorities and their responsibility, we are also advocating the right of citizens to free political association and the representation of their programs at general, secret, and direct elections; in a word, the introduction of a multiparty system with an opposition, without which there is no real democracy nor modern socialism.

We see a future Serbia as a country of free people and ideas which is open to the trends and achievements of modern world development, and which has been restored to its natural European homeland, recovered from its backwardness through the exertions of its citizens and the free competition of political, philosophical, and production programs and the entrepreneurship of capable people, and released from an expensive, vast, over-bureaucratic, and inefficient state. That is a Serbia in Yugoslavia as a loyal supporter of civil, national, and political freedoms and social justice.

The Board of the Serbian Writers Association believes that it is its duty to acquaint our public with its ideas about Serbia and democracy yesterday, today, and tomorrow and to give the Cultural Forum of the Serbian Intelligentsia the chance to view and discuss them.

[Signed] The Board of the Association of Serbian Writers

Tomsic Speech, Banners at Ljubljana Meeting

AU1505102789

[Editorial Report] Belgrade BORBA in Serbo-Croatian on 10 May on page 4 carries a report on the "public and expanded" session of the Presidium of the Socialist Youth Federation of Slovenia Republican Conference held in Ljubljana Liberation Square on 8 May entitled "A Meeting with 10,000 Present." While the events of this meeting are covered by LJUBLJANA DELO in the item headlined "Youth Federation's Skolc on Protest Meetings," published in the 15 May East Europe DAILY REPORT, page 71, the BORBA version adds the following two passages:

"Slogans

"As well as the main slogan which was also the message of the meeting—The freedom of the four men [Janez, Tasic, Borstner, and Zavrl] is also our freedom. The citizens who had gathered also carried the following banners: 'We want free elections'; 'Long live the heroes of the new age'; 'Jansa, Kosovo'; 'Slovene sovereignty is our sovereignty—Albanians in Slovenia'; 'The Sovereignty of Slovenia, the sovereignty of Kosovo, the sovereignty of Yugoslavia'; 'We are with you for our own sakes'; 'A MLADINA in every family'; 'What are we guilty of'; 'Down with the occupation,' and 'We do not recognize the judgement.' Along with these solely Slovene slogans, banners in two languages could also be seen: 'Against the state of emergency'; 'Go home'; 'The Committee for the Protection of Human Rights in Kosovo'; 'Goodbye reason', and 'Freedom—liri' [Albanian for freedom]. These banners were written in the Slovene and Albanian languages."

The second passage is an addition to the speech by France Tomsic, president of the Social Democratic Alliance, who is quoted as follows:

"Little remains of the federation, Tomsic added, which is demonstrated by the decisionmaking process in the SFRY Presidency which is nothing but a farce as it usually ends with the result of 6:2 or 5:3 in favor of Milosevic. We do not need the kind of federation that ours has become, concluded Tomsic, stressing that their idea is a new constitution and a third Yugoslavia which will be a confederation or will not exist. We are convinced that Slovenia's natural place is in Yugoslavia and despite Janez Stanovnik's claim, we would live peacefully and well as an independent state, Tomsic concluded to applause."

Commentary Views 'Underground' Confederation

AU1805090089 Belgrade BORBA in Serbo-Croatian 10 May 89 p 1

[Momcilo Djorgovic commentary: "A Confederation of Wolves"]

[Text] How much meaning is there in France Tomsic's message that "Yugoslavia will be a federation or it will not exist" (which he proclaimed at the meeting in Ljubljana)? Does it have any meaning, not only in comparison with the real state of Yugoslavia's integrity, but also with Tomsic's previous stand that "we do not need the kind of federation that ours has turned into." However, "this federation" has already "turned into" a confederation, or, despite the proclaimed federal structure, continues to live its sweet "underground" confederal life.

Tomsic articulates this confusion in our obstinate and insufficiently learned Balkan heads which can find satisfaction for its provincial destructiveness only in the part of the message that says "it will not exist," and the part "what will be" is only some kind of blackmail and the more unrealistic this is the better, since it is leading Yugoslavia into the desired oblivion.

Why is it that we always turn everything on its head? Both a federation and a confederation are forms of common existence in a civilized world and we need them in order to above all differentiate between them and show their individual uniqueness. It seems that we would use a confederation as a kind of apology to one another. We are finally saying adieu to Yugoslavia.

Perhaps even forms of political organization are subject to the inertia of entropy and in the absence of vigorous stimuli they strive for death. If it is true that we are lacking this vigorous stimulus because of the global crisis of one ideology, the crisis of one type of leadership, and the crisis of the leadership itself, this does not mean that just any means could facilitate our resurrection. The demand for a confederation in which the wolves' selfish interests and tribalism would be legalized under the guise of democracy, would turn Yugoslavia into nothing and the Balkans into a political underground. However, it is unacceptable for any federal unit to think that it can defend Yugoslavia according to its own recipe, particularly if the other units do not like this recipe.

The times when one people liberated the other peoples are over. Nowadays when everyone is free, they can found a common state only on joint projects. To begin with, let these be the highway along the Adriatic coast of cooperation with the European Economic Community.

Vrhovec Addresses Croatian Assembly Delegates

AU1705161189 Belgrade BORBA in Serbo-Croatian 11 May 89 p 3

[G. Gojak and R. Vujatovic report: "Pictures—A 'Thorn' in the Side"]

[Text] The delegates of the Croatian Assembly were addressed by Josip Vrhovec, member of the SFRY Presidency. In a fairly long speech he concluded that in the last year—since the last meeting with the delegates in the club of representatives—the crisis has deteriorated and that the SFRY Presidency is partly responsible for that. At the same time there are two positive aspects which will only produce results in the future. One of them refers to searching for a more consistent concept of the economic policy, which we have yet to fight for, and the other to the promulgation of the amendments which are expected to stabilize the organization and development of relations in the federation.

According to Vrhovec, it is high time for the League of Communists to be definitely separated from the system of authority, to cease to be the authority and to become the real vanguard of ideopolitical and ideological forces of our socialism, because this is the only way we can overcome the long-present social crisis. Similarly, the economic development and the overcoming of the economic crisis should be worked out between the Federal Executive Council and the SFRY Assembly, Vrhovec said.

When we introduced special measures in Kosovo we said, first of all, that we introduced them in order to protect the system's institutions and to enable them to work. In other words, we introduced them in order to protect rather than to suspend the democratic social system, Vrhovec said.

After his speech the delegates asked Josip Vrhovec numerous questions. For instance, Ante Beneti asked Vrhovec whether the Yugoslav Presidency had also discussed the recent phenomena of the posters and pictures of Slobodan Milosevic being euphorically hung in official places and shop windows, something he said he saw in Belgrade himself. In his view this could at least lead to some undesirable reaction from among other peoples. Along with certain emblems, pictures, slogans, badges, cassettes, some people have gone so far as to attach to the pictures slogans which distort the symbol of our liberation war in an unacceptable way.

Delegate Ivo Filipovic said that it is obvious that in some parts of our country, or to be more precise, in Serbia, the words such as Tito and AVNOJ [Antifascist Council of the National Liberation of Yugoslavia] are gradually disappearing from the leaders' speeches, and he expressed surprise that this could happen in a country in which Comrade Tito and his role are so exceptional and unique. Ivan Tarnaj was interested in the phenomenon of carrying out the so-called isolation [izolacija] of participants in the demonstration in Kosovo and asked whether the Presidency has discussed this issue because the rumor is that there are several hundreds of such cases. He also wondered whether this act violated the Constitution and the law.

Answering these questions Vrhovec said (to Ante Beneti) that the question concerning the pictures of Slobodan Milosevic has not been discussed at the Presidency sessions, at least not on the ones that he had attended. Vrhovec said that the reason for this probably lies in opportunism and stressed that he agreed with Beneti's view. As far as the isolation of demonstrators in Kosovo is concerned, this is one of the crudest forms of violating human rights that could be applied during particularly difficult times of a country in order to protect democracy. Isolating demonstrators in our country is done according to the republican law and I have information that a rather large number of people were involved, over 200, I think, Vrhovec said.

Answering the question (asked by Tomislav Gadza) on the work of the SFRY Presidency, Vrhovec spoke in great detail about the role of the Presidency, whose work must constantly express the common life of the federation and should not succumb to the temptation of changing the character of the leadership because of the prevalent crisis, because the SFRY Assembly is after all the supreme organ of authority. It is an illusion that Yugoslavia can be stable and strong and that it can develop based on some concept other than that of the AVNOJ and Tito. It is not accidental that Kardelj said that Yugoslavia is such a society, such a federation in which every significant change in the Constitution in fact represents an assessment of the basis on which the common life is founded.

Macedonian Assembly on Constitutional Amendment

AU1705164389 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 17 May 89

[Text] At their session today, the delegates of the three chambers of the Macedonian Assembly adopted the draft text of Amendment 56, redefining Article 1 of the Constitution of Macedonia. According to the text adopted, the proposal reads that Macedonia is the national state of the Macedonian people. Boris Djordjiovski reports in more detail:

[Djordjiovski] Macedonia is defined as the national state of the Macedonian people and the self-managing equal community of the Macedonian people and of all the other peoples and nationalities that live in it. This in fact changes the essence of Article 1 of the republican Constitution and its preamble, because it omits a passage of the 1974 Constitution to the effect that Macedonia is also the state of the Albanian and Turkish nationalities.

The proposal arises from the request made in the public discussion of the constitutional amendments, and as the opening speaker, Petar (Karanov), pointed out, the aim is to protect the originality of the Macedonian people and its statehood, which have been seriously endangered. (Karanov) sees this danger in the constant great-state, assimilating, and chauvinist policy of the neighboring countries toward Macedonia and the Macedonian minorities. In addition, attempts to negate the originality and the statehood of this people are more and more numerous in our country in some places.

Macedonia also features in the plans of the Albanian nationalists and separatists who want a large portion of the territory of Macedonia to be a part of Greater Albania.

Amendments to the law on electing a SFRY Presidency member from Macedonia were adopted by shortened procedure at the session today. A direct and secret vote by the working people and citizens is to be introduced, but the final decision on the election is to be made by the delegates of the republican Assembly.

Bosnian Commission Reports on State Security

AU1705194589 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 17 May 89

[Text] The Bosnia-Hercegovina Assembly Commission assessing the legality of the State Security Service work concluded its work in Sarajevo this evening. Ljubomir Nikolic reports the details from its report:

[Nikolic] Drasko Popovic, chairman of the Bosnia-Hercegovina Assembly Commission for State Security Service supervision, informed the press this evening about the basic contents of the report by the commission and the conclusions to be submitted to the republican Assembly delegates:

First, in the Kecmanovic case, the State Security Service acted in accordance with the law;

Second, its findings should have been used earlier; and

Third, this case showed that the regulations on the work of the service should be critically examined and harmonized with the changes in the republican Constitution.

In this way, any abuses in the work of the service would be prevented.

The commission did not deal with the question of Nenad Kecmanovic's guilt, and the republican Assembly delegates should decide on that. Drasko Popovic said that for this purpose, a number of facts and reports on Kecmanovic's conduct will be presented.

Popovic did not reply to a question by your reporter as to how it was possible that the rector of Sarajevo University who is a suspect obtained a diplomatic passport a few months ago, although the consent of the appropriate organs, including the State Security Service, is necessary to get such a passport.

The question remains to what extent the report of two commissions will satisfy the delegates of the Bosnia-Hercegovina Assembly who will meet the day after tomorrow, and the delegates of the Republican Conference of the Socialist Alliance of Bosnia-Hercegovina, whose session is convened for Saturday, 20 May.

Police Action in 'Mosevac Affair' Deemed Legal

LD1805082189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1245 GMT 17 May 89

[Text] Sarajevo, 17 May (TANJUG)—It has been generally concluded that the Municipal Secretariat for Internal Affairs of Maglaj and the Security Service Center in Doboj acted within the framework of legal regulations when they undertook measures connected with the "Mosevac Affair." This was stressed in a report by the Commission for National Defense and Social Self-protection and the Commission for Social Supervision of the Bosnia-Hercegovina Assembly, at today's joint session.

This detailed report will be submitted to the President of the Assembly of Bosnia-Hercegovina, and then to the delegates.

The report by the working group is an incentive for the further work of the security organs, said Bosnia-Hercegovina Republican Secretariat for Internal Affairs assistant secretary, Bruno Soco, at this meeting. He also said that the recent arrest of Hasan Delic, president of the citizens' gathering of this local community, was within the law.

Sarajevo Teachers Gain Pay Raise, End Strike

AU1705160389 Belgrade BORBA in Serbo-Croatian 15 May 89 p 14

[TANJUG report: "Demands Have Been Met"]

[Text] Sarajevo, 13 May—After a 7-day strike, the teachers of the 12 secondary schools from the Sarajevo commune of Centar will return to work next Monday because the Sarajevo City Assembly and the Self-Managing Community for Education decided at their joint session to meet the teachers' demand for a pay increase.

According to last night's decision, the base pay of the secondary school teachers will be 2.2 million dinars as of April and will be linked to the monthly rate of inflation. If the Self-Managing Community for Education is not able to find the funds for the pay increase, this money will come from the city budget. This decision will remain valid until June, until which time restrictive federal intervention laws are supposed to remain in force.

It was also decided that a special commission will examine the accountability of some individuals and organs who caused the work stoppage in the secondary schools of the Sarajevo commune of Centar at the end of school year.